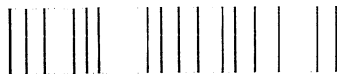


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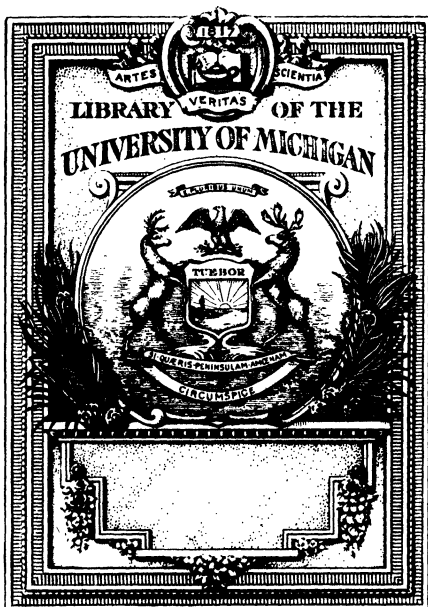


**BY
FELIX
MORLEY**

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**OUR FAR EASTERN
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OUR FAR EASTERN ASSIGNMENT

BY FELIX MORLEY

FELLOW OF THE ECONOMIC SOCIETY (ENGLAND),
AUTHOR OF "UNEMPLOYMENT RELIEF
IN GREAT BRITAIN"

With an Introduction by
THE HONORABLE HENRY MORGENTHAU

GARDEN CITY NEW YORK
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1926

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To
YOSHIO NITOBÉ *and* TANG MAN-HOI
*Old Friends Who Helped Me to a
Better Understanding of
Japan and China*

Lilburn

Clark

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INTRODUCTION

The United States must adjust itself to the position it has acquired through its activities in, and as a result of, the Great War. It is rapidly becoming the great Central Power Station of the world, with influence radiating North, South, East and West. Before very long our commercial relations with the lands across the Pacific will be as important as those we now have with the European Powers. It is, therefore, highly essential that we become better acquainted with our Pacific neighbors, the Filipinos, Japanese and Chinese. Our woeful ignorance of their present conditions and great potentialities must be supplanted by real knowledge.

This knowledge can be obtained through visits of experienced investigators to these countries and the publication of their observations in as interesting and as instructive a form as Mr. Felix Morley has achieved in this book. It happens that I have myself recently been over almost the same territory; and while not agreeing with all of Mr. Morley's conclusions, I find that he shows wonderful powers of penetration and has adopted a judicial manner in impartially appraising the various conflicting influences that are at work in Japan, China and the Philippines.

To readers who realize that the United States is destined to become the financier of Japan and China, while continuing to fill this rôle for the Philippines, and to those who foresee that we may well become the builders of China's new railroads and purveyors of many of her basic industrial and agricultural supplies, this treatise will prove a most valuable guide. It clearly analyzes

the status of the countries which will play so large a part in America's future international problems.

It is amazing to think that the Chinese people, who have maintained a national existence for thousands of years, have so slightly developed their great natural resources. China, as shown by Mr. Morley, is now in a state of ferment, acquiring modern ways and learning modern warfare. Eventually she will use this knowledge to assert herself as one of the great world-powers. Her development will come with a tremendous rush. She will not have to wait for immigration from other countries as we did, to develop her resources and create feeders for her coming railroads. She has unlimited manpower.

Mr. Morley also shows how China is learning to use the boycott to avenge herself against foreign domination. Her student-bodies and labor-unions are other powerful factors in the present unrest. They will eventually help her to abrogate the extra-territorial rights still exercised by some of the foreign nations. Nor can the Chinese people indefinitely be coerced into accepting foreign products almost duty free while other nations build a tariff wall against their infant industries.

Whether the inhabitants of the Philippine Islands, Japan and China are to be our adversaries or our friends will largely depend upon how we treat them, and our treatment will entirely depend upon our appreciation of their good qualities and their future possibilities. This appreciation can only be brought about by a really impartial study of these people and countries. I believe that Mr. Morley is rendering a signal service to us in having secured, and now so attractively presented to the American public, the facts, speculations and conclusions contained in this book.

HENRY MORGENTHAU.

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AUTHOR'S PREFACE

In adding this slim volume to the steadily accumulating mass of books about the Orient, a word of explanation is desirable.

To many Americans the Orient is still a country of strange sights and sounds, a curious unreal dreamland of temple bells and opium dens, of *geisha* girls and mandarins, of lotus blooms and cherry blossoms. Somehow it is not often emphasized that Orientals are men and women like ourselves, stirred by the same emotions, influenced by the same needs, faced with the same problems. There is, of course, an element of truth in the belief that there are immutable differences between East and West; but that is no reason why so much of our literature on the subject should be long on the side of fantasy, short on the side of fact.

To many more Americans the countries of China and Japan, even our own great Asiatic possession, the Philippines, are countries where the inhabitants refuse to behave with the same good sense that is shown in Switzerland, Ecuador, or Bermuda. China, to this school, is a vast and teeming territory where war lords with incomprehensible names are always fighting, and always making life objectionable for long-suffering foreigners. Japan is synonymous with the "yellow peril," agog to seize the Philippines or otherwise force war upon America. As for the Filipinos, they are a trying people, strangely subservient to the wiles of unscrupulous "politicians," who circumvent our every effort to be nice. For all such exaggerations another sort of Oriental writ-

ing would seem responsible—that produced by the subtle propagandist. It is a game which Asiatics also play.

Between the romanticist and the propagandist, between the total ignorance of Asia encouraged in our schools and colleges and the prohibitive cable tolls which still keep news dispatches from that continent at a minimum, there is room—ample room—for more writing which concerns itself with evidence impartially selected. Even the ignoramus, when he tells without bias just what he himself has seen, may often be the all-important figure in a court of law. Regarding my shortcomings as an “authority” on the Far East I have no illusions; but I have found through personal acquaintance in the Orient that many of the “authorities” have some particular cause to serve, some special thesis not unconnected with their living to expound. In our current literature on the East we need more testimony from impartial witnesses, fewer fairy tales—and fewer diatribes from prosecuting attorneys with fat retaining fees.

If this book contains any special pleading, it is only where I am convinced that the clear evidence justifies such treatment. If there is anything in the rather prosaic subjects treated which can be characterized as sentiment, it is because sentiment, as distinct from sentimentality, is a factor demanding consideration in any study of human affairs. What follows is the work of a newspaper man, with a taste for, and some training in, the studies of politics and economics. Its guiding theme has been the fair selection, from the vast mass of material available, of such subjects as the writer considers essential to a better and more intelligent understanding of the Orient by America.

In the late autumn of 1925 the Baltimore *Sun* assigned to me, as a member of its editorial staff, the pleasant task of visiting Japan, China, and the Philippines, there to investigate at first hand, political, social, and eco-

conomic conditions and tendencies. When I departed on this adventure, consuming five months of time and 25,000 miles of traveling, nothing was further from my intentions than the little book which here eventuates. I only regretted, as gradually I overcame an abysmal ignorance of the Orient, that in my undergraduate days the Far East found no place in any phase of the curriculum. It was this deficiency, I think, which fostered the idea that an unpretentious volume along the lines followed herein might be of interest and value to American students in and out of college.

As time went on, and I observed on every hand the reciprocal interest and growing importance of America to the East and the East to America, it slowly dawned on me that my assignment was *in parvo* that of the American people at this stage of our development as a world power. So, when in Manila the suggestion reached me that I put my articles in permanent form, the title at least was written. To the material originally printed in *The Sun* much has been added, including expressions of personal opinion for which that journal cannot be held responsible.

Needless to say my thanks are due and heartily given to the A. S. Abell Company, publishers of the *Baltimore Sun*, not merely for permitting republication of correspondence sent them, but even more for splendid journalistic ideals, of which my tour of inquiry in the Orient is but a single expression. To the *American Review*, also, is due appreciation for permission to reprint much of an article written for that magazine. For the host of individuals who, mostly unwittingly, have made this study possible, a general expression of gratitude, though inadequate, must suffice. The maps and photographs are my own.

Where so much of importance and interest had perforce to be omitted, a difference in treatment between

the Japanese, Chinese, and Philippine sections of the book became inevitable. The guiding rule in every case of selection was what the author, from his own education in the Orient, considers basic to a more profitable understanding of the Far East by America. If "Our Far Eastern Assignment" serves as an introduction to more comprehensive study of the problems treated, it will have served its purpose.

FELIX MORLEY.

Baltimore, Md., September, 1926.

OUR FAR EASTERN ASSIGNMENT

CHAPTER I

JAPAN'S INESCAPABLE PROBLEMS

The newcomer to Japan, even before he sets foot on the great concrete landing stage at Yokohama, will gather two impressions which sojourn in the country serves only to strengthen and to amplify. One is the nervous restlessness of the people, first brought home by the quick click-clack of numberless *geta*, or wooden clogs, on the hard surface of the dock. The other is the ruthlessness which lies behind the smiling face of nature in these islands. The feathery plume of smoke rising from volcanic Oshima at the mouth of Tokyo Bay gives the visitor his first ocular demonstration of this last characteristic, but this does not prepare him for the desolation of Yokohama, after three years only beginning to rise from the utter ruin wrought by the earthquake of September 1, 1923.

Between these two impressions there is probably a definite connection, since the characteristics of every people are moulded by geographical factors in their environment. The climate of Japan is mild, the landscape lovely, the seasons rich with natural beauty from early February, when the plum blossoms appear, until November, when the chrysanthemums fulfill the honor paid

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them as the national flower. Behind these natural assets, conducive to geniality, optimism, and love of beauty, lie the essentially barren nature of the country, the prevalence of shattering earthquakes, volcanic eruptions, destructive floods, and typhoons. The conditions of life in Japan are much more charming and much more uncertain than they are with us. So the Japanese, to quote a generality by one of their own publicists, "are more children than men, more prone to enjoy their circumstances than to alter them."¹ Clever, energetic, and adaptable, their minds are more mobile, and at the same time perhaps less persevering, than our own.

This conclusion is so contrary to the impression generally prevalent in America that its gradual fruition in the mind of the visitor comes with difficulty. When an American newspaper man of long Oriental experience told me during my first week in Tokyo that "the Japanese are more to be pitied than feared," I smiled to myself at what I thought his lack of political sophistication. Yet, wider experience served to show that it was not this carefully formed opinion, but the more common American viewpoint, dating from coinage of the mischievous "yellow peril" phrase, which is naïve. We are prone to distrust Japan primarily because she has imitated our ways so successfully. At least, that distrust should be tempered by consideration that facility in imitation itself indicates a lack of the originative qualities which alone make nations truly and enduringly great.

America has never had to face the two essential, harassing problems before Japan: the first, how to find a livelihood for her crowded population without disturbing the rights and sensibilities of other races; the second, how to complete the transformation from feudalism to democracy without losing the basic spiritual

¹ Dr. S. WASHIO, in an article on "The Earthquake and Japanese Psychology," Japan Year Book, 1924-1925.

values inherited from a less prosaic and competitive era. It is important to realize how thoroughly these problems are absorbing the energies of Japanese minds, and how little the solutions which are indicated point to the possible war between Japan and America so loosely talked about in both countries.

The one inescapable fact about Japan is that in a group of mountainous volcanic islands, with less than 20 per cent. of their 140,778 square miles subject to cultivation, smaller in area and far less fertile than the state of California, are crowded sixty million people who somehow, somewhere, must make their livings. These people entered the stage of world politics too late to succeed in an openly imperialistic policy. Indeed, it was not until 1911 that they succeeded in eliminating the last of the restrictions on their own sovereignty imposed by the white powers, as somewhat earlier in the case of China, by the unilateral treaties of 1858. It is true, of course, that, as a result of the war with China in 1894, Formosa and the adjacent Pescadores were annexed by Japan. Following the war with Russia a decade later, the Tokyo government resumed sovereignty over the southern half of the island of Saghalien, acquired Russia's leasehold on the Liaotung Peninsula as well as the South Manchurian Railway, and established the protectorate over Korea which preceded outright annexation in 1910. But none of this aggrandizement in immediately adjacent territory was as pronounced an extension of national authority as that taken by our country in assuming control of the Philippine Islands, lying more than six thousand miles from the coast of California.

An economic urge far more acute than that which forced our own pioneers westward to subjugate the Indian tribes was primarily responsible for Japanese expansion between 1894 and 1914. Statistics do not support the claim that there has been no sizable movement of

population to the acquired territories. The census of 1922 showed 386,493 Japanese in Korea, more than double the number there in 1910. In Formosa, in 1922, there were 177,953 Japanese. In the Philippines, acquired by the United States four years after Japan took Formosa, and having approximately eight times the land area of the latter island, there are only about 7,000 Americans. Even the small leased territory on the Liaotung Peninsula had a Japanese civilian population of 81,573 in 1922, while inclement Saghalien then counted 117,782 Japanese settlers. Considering the strength of the religious, social, and sentimental ties binding the Japanese to the parent islands, the present rate of migration within the empire must be regarded as high.

As a consequence of the World War, however, Japan for a period of some years adopted a policy of outright aggression which properly stimulated the suspicions prevalent in the United States. If Japan is frequently embarrassed nowadays by the hostility expressed toward her in many parts of China, she certainly invited hatred by the notorious "Twenty-one Demands," issued as an ultimatum to Peking early in 1915, shortly after Japanese troops had captured the German leased territory of Kiaochou, in Shantung.

By these demands, characterized at the time by Foreign Minister (later Premier) Kato as "absolutely essential for strengthening Japan's position in Eastern Asia," the military caste sought to make Japanese influence predominate permanently, not merely over South Manchuria and Shantung Province, but even throughout all China. The last group of the demands, for instance, insisted that the Chinese government obligate itself to employ Japanese as political, financial, and military advisers; to give Japan a share in the police administration of certain Chinese cities; to purchase from Japan as much as 50 per cent of any munitions China might re-

quire; to let the Japanese construct important railways in the Yangtze basin; and to give Japan priority rights in supplying foreign capital for the economic development of Fukien Province, opposite Formosa.

Without question it was the intention of the Okuma ministry, then in power in Tokyo, to seize the moment when all the great powers of Europe were engaged in a war of doubtful outcome in order to shackle the young Chinese republic to the wheels of Japanese ambitions. Actually, the Twenty-one Demands were much modified before the residue was unwillingly accepted by China, special privilege in South Manchuria and extension of the expiring leasehold on Liaotung Peninsula until 1997 being the only points on which any permanent gain has accrued to Japan. But they caused a serious shock to good relations between Japan and the United States, the only power to inform Tokyo that agreements impairing the political or territorial integrity of China would not be recognized.

The conception behind the Twenty-one Demands, with their implicit faith in the tactics of the bully, was so crude as to substantiate the theory that acumen and foresight are not outstanding characteristics of the Japanese mind. Japan's second blunder of the period with respect to China—the so-called Nishihara loans—was scarcely less stupid. Millions of dollars were advanced on exceedingly slim security; nominally, for such purposes as furthering Chinese participation in the World War, perhaps to secure a lien on Chinese resources which might eventually lead to some form of sanctions. Whatever the real design, most of the money went to line the pockets of venal war lords and led directly to the Consortium Agreement of 1920, whereby the United States, Great Britain, France, and Japan agreed to advance money to China only through an international combination of banking groups approved by the four govern-

ments. The net result of the Nishihara loans for Japan appears to have been a considerable loss of money, an increase in foreign and Chinese mistrust, and no tangible benefit except the uncertain allegiance of a few disreputable politicians and generals in China. All recent efforts to secure these loans on Chinese revenues have naturally aroused resentment among the patriotic in that country.

Nor is the tale of Japanese diplomatic folly during the war period complete without reference to the Siberian expedition of 1918 to 1922. To be sure, some of the blame here rests with the United States, which sponsored the invasion of Russian territory intended partly to assist the escape of the Czechoslovak troops and partly to test out the strength of Bolshevism. America, however, confined her military participation to the suggested quota of 7,000 troops, Great Britain, France, and Italy taking an even smaller part in the uninvited intervention. Japan, by official admission, threw 70,000 soldiers into Siberia, engaged in extensive warfare with the Russians costing her over 12,000 casualties in battle, and squandered approximately \$350,000,000 on this utterly fruitless venture. Not until October 25, 1922, four years after the Armistice, did the last Japanese regiment leave Vladivostok. The annexation of the Siberian littoral adjoining Korea on the northeast seems to have been contemplated in some Japanese quarters as long as the initial weakness of the Soviet government made the ambition tenable.

The Siberian expedition, however, is the last aggressive action to which critics of Japanese foreign policy can point with effectiveness. Even before its termination, in the summer of 1921, Japan had accepted President Harding's invitation to the Washington Conference on Limitation of Naval Armaments. With this conference still

recent history, a new and optimistic era in Far Eastern relations was successfully initiated.

The 5-5-3 ratio in capital ships agreed upon by the United States, Great Britain, and Japan is probably, to most minds, the outstanding achievement of the Washington conference. Certainly, its value in breaking up a repetition of that unrestricted naval competition which preceded the World War is hard to overestimate. Yet, from the more limited viewpoint of better Japanese-American relations, other gains secured at Washington are equally striking.

One was the termination of the Anglo-Japanese alliance, which had unquestionably made the weaker partner feel more secure in taking the assertive steps recounted above. Another was the Four Power Treaty, by which the United States, Great Britain, France, and Japan agreed to take under joint consideration controversies "arising out of any Pacific question" not satisfactorily settled by ordinary diplomatic negotiations. A third was the restoration to China of all the German privileges in Shantung acquired by Japan during the war, leaving the Tokyo government's mandate over the former German Pacific islands north of the Equator as its only territorial gain from participation in the hostilities. At the same time the greater part of the Twenty-one Demands were tacitly withdrawn.

Still a fourth advance toward better Pacific relationships was the Nine Power Treaty, in which Italy, Belgium, Holland, Portugal, and China participated, pledging the signatories to respect the sovereignty of the latter nation, to refrain from seeking special rights or privileges there, and to hasten action looking toward complete tariff autonomy for China and the abolition of foreign extraterritorial privileges in that country. These last two important issues will be discussed in detail in the chapters which consider Chinese problems.

Since the adjournment of the Washington conference the Japanese government has not shown, by word or action, any disposition to renew the aggressive note characteristic of the nation's foreign policy during the war-time period. It has, on the contrary, through the League of Nations, the World Court, and lesser international associations, shown a much more active desire for patient constructive cooperation with other countries than our own government can claim.

Toward China in particular, a scrupulous forbearance, often in the face of most serious provocation, has been maintained during the last few years. Since 1923, moreover, Japan's share of the Boxer indemnity, with other funds, has been applied to forwarding educational work in the neighboring Republic. The explanation given by certain Japanese statesmen—that the significance of such actions as the Twenty-one Demands was always exaggerated abroad, is not conclusive. That there has been a real change of policy in Japan, a definite liberalization of the national attitude, can no longer be doubted. Nor is it difficult to appreciate the major factors which have combined to bring about that change.

CHAPTER II

THE ADVENT OF DEMOCRACY

Among the causes operating to restrict the military power and to reduce Japanese chauvinism, the democratization of government is the most instrumental. We cannot hope to appreciate the significance of the new manhood suffrage law in Japan without understanding how deeply autocratic theory is rooted in the constitutional structure of the nation.

Most Americans who reflect at all on how their government came into being, instinctively single out the oppressive exercise of royal authority as the actuating force leading to the fight for independence from Great Britain. Judging from our own brief history as a nation, we have built up an implicit belief that any progressive constitutional movement postulates a restriction or elimination of the "divine right of kings" idea. Many of us have only a very vague idea of what the feudal system was, and do not realize that at one stage of European history—as much our history as Europe's—it was essential to political progress that autocratic monarchies should be established in order to curb the powers of rival nobles, each of whom was sovereign in his own sphere.

In Japan the constitutional movement was not launched with any idea of restricting the power of the Emperor. On the contrary, the obvious necessity after the fall of the feudal Shogunate was to restore to royalty the political authority which the heads of the great families had withheld from it for nearly a thousand years.

Indirectly, it is useful to recall, the United States helped to force political absolutism on Japan. The "black fleet" of Commodore Perry, acting under instructions from Washington to insist upon abandonment of the Japanese policy of isolation, was the agency which unwittingly pushed the outworn medieval Shogunate into the discard. Amid turbulent times, and with no experience in self-government, it was inevitable that a majority of the Japanese people should be as eager as was Joan of Arc five hundred years before to see authority concentrated in royal hands. Not the emperor but the over-powerful feudal nobility, responsible for the serious civil war of 1877, was the agency most dangerous to political progress. It was equally inevitable that, faced with the necessity of solidifying the aristocracy behind the ruling house, Japan should choose Prussian political institutions as the only western model at all suitable to her own domestic conditions.

Consequently, it is not surprising that the Constitution, promulgated in 1889, idealizes the Emperor in a manner which at first glance seems somewhat exaggerated to American eyes. The first article announces that: "The Empire of Japan shall be reigned over and governed by a line of Emperors unbroken for ages eternal." The third article supports this somewhat positive assertion with the comprehensive statement that: "The Emperor is sacred and inviolable." Not until the fifth article—"The Emperor exercises the legislative power with the consent of the Imperial Diet"—is there any mention of popular limitation to the royal authority. Altogether no fewer than seventeen articles dealing exclusively with monarchical powers appear in the Constitution before a word is written on the rights of the subject. The section devoted to these last, however, is not far from being as comprehensive and enlightened by our standards as is the case in American organic law.

Mingling the theory of divine right with certain definite constitutional checks and safeguards has resulted in a compromise between ancient and modern which seems peculiarly suitable to the present stage of Japan's political development. The powers actually exercised by the Emperor are no greater than those remaining to the King of England, but in theory he is absolute and is so regarded by the masses of the people. It is a common Japanese belief that the Prime Minister is merely the spokesman of the monarch, a conception not without constitutional importance. On occasion, astute premiers have been known to utilize the name of the Emperor in a way which has dissipated much of the popular support for a dangerous opposition. To be coupled with this is the fact that the Japanese Cabinet need not be representative of the majority party in the House of Representatives, and has the power to dissolve the House and call a general election on any plausible pretext if it is thought that obnoxious parliamentary critics can be unseated by that step.

Unquestioning popular reverence for the Emperor is a great asset to the bureaucracies which shelter behind his mantle, and in particular to the army and navy chiefs who through the Supreme Council of War exercise a considerably greater influence in the government than is the case with their counterparts in the United States. The Premier and the Foreign Minister must share the ear of the monarch with generals and admirals, and under the division of power between military and civilian heads it is conceivable that the former may act independently of civil authority. There is a common report that the War Office took upon itself authority for greatly augmenting the number of troops authorized to participate in the Siberian expedition. Certainly, the Diet has never been able to obtain a satisfactory accounting of all the money spent in that venture. Since

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1914 both army and navy have been allowed an "extraordinary military expenditure" amounting to \$450,000,000 for the eleven years up to 1926. Over these outlays elected representatives have little or no control.

There are, moreover, many factors indicating that modification of the general attitude toward the ruling house, and the military bureaucracies tied up with it, is going to be a slow process. The fervent patriotism of the Japanese people combines with Shinto doctrine to focus the Emperor as the embodiment of national spirit. This attitude is fostered by remembrance of the truly great achievements of the Emperor Mutsuhito,¹ who came to the throne as a boy of sixteen, in 1867, successfully guided his country out of the feudal period, ruled during the two successful wars with China and Russia, and saw the unilateral treaties completely abolished in the Japanese interest before his death in 1912. The simple open-air tomb of this great sovereign, close to the ancient capital of Kyoto, is not a mausoleum like those of British rulers in Westminster Abbey, but a national shrine visited daily by hundreds of Japanese who come to reverence a religious leader whom death has deified. Here may be seen the propitiation of the spirit of the national ruler or guardian which is the culmination of the deep-rooted cult of ancestor worship.

The Japanese system of education, the stereotyping effect of two years of compulsory army service on coming of age, the depth and intensity of a religious belief which is tied up with social custom and patriotism, and the absence of independent viewpoint among the women are all calculated to support political conservatism, particularly when we remember that these people are much more skilled in careful adaptation than in philosophical initiation. Then again, it is within the memory of many who

¹ Since his death known as "The Emperor Meiji," as the posthumous designation of his era.



FUJIYAMA

The majestic mountain which speaks the beauty and the spirit of Japan.



are still active that Japan struggled safely out of the period of feudal collapse by her ability to unite the spirit of patriotism with worship of the ruling dynasty. In spite of widespread social unrest springing from unsatisfactory economic conditions, it would take a bold prophet to visualize Japan as anything but a monarchy during the lifetime of any who read these lines.

None the less there are tendencies which show that in politics, as in all other lines of organized endeavor, modern Japan is caught by the same stream which has swept all the white nations toward democracy, regardless of whether or not they are content to regard that system as a final goal. The Constitution may state that the Emperor is "inviolable," but the populace cannot be kept ignorant of the fact that Yoshihito, successor to the Emperor Mutsuhito, is a hopeless invalid who, in 1921, of necessity proclaimed the Crown Prince Hirohito as Regent in his stead. The anomalous situation weighs against continuation of the popular belief that the Emperor is absolute, though collapse of this idea, of course, would not lead to abolition of the monarchy any more than it has done in England.

A very much more important dissolvent of absolutist belief, promising in time not merely to dissipate the awe in which royalty is held as a political factor, but also to modify and alter Japanese policy in many ways, is the coming of fairly complete manhood suffrage. The law bringing this great change went into effect in 1925, though the new voters will not be able to exercise their right of franchise until the next general election. Seldom in history has there been an enfranchisement act of greater magnitude than this one, increasing the electorate of the country more than threefold at a single step.

Under the original Election Law of 1890, the qualified voters of Japan numbered only about 500,000 out of a population of 42,000,000—less than 1.25 per cent. The

minimum voting age was twenty-five, which has been maintained, and there was a drastic property qualification, limiting a voice in government to those who paid at least 15 yen (\$7.50) per annum in direct national taxes. A revision of the law in 1900, lowering the property qualification somewhat, increased the electorate to about 1,500,000. In 1920 the requisite national tax payment was reduced again, to only 3 yen, and the electorate augmented thereby to nearly 3,000,000. Under the new law of 1925, eliminating the relationship between enfranchisement and property ownership, it is estimated that the total electorate will number well upwards of 11,000,000, or nearly 20 per cent of the total population of Japan proper.

Inevitably, the sudden addition of 8,000,000 new voters will mean far-reaching changes in Japan. Many are now learning for the first time that the machinery of representative government exists for them in their country. Among the millions in whom a rigid social system and perpetual poverty have combined to induce a fatalistic outlook there is dawning the realization that they have in their own hands the means to shape destiny somewhat. If there is still tremendous political apathy and ignorance among the Japanese working class there is at least none of the disillusionment and cynicism found where suffrage after long trial has proved no panacea for human ills. Politically speaking, Japan is very youthful and naïve. Her newly enfranchised voters are on the whole disposed to enter the untrodden field of democratic experiment hopefully and with enthusiasm.

The implications of the new manhood suffrage law appear equally important to the traditional governing class, though in this case the feeling is one of doubt and anxiety rather than optimism. The Japanese House of Representatives has not the same constitutional power as our own, and it is open to question that a more radi-

cal parliament, if elected, would be able to exercise very positive power in the control of national policy. The negative power of the House, however, is sufficient to cause a bureaucratic government great annoyance. The old freedom of the military leaders in determining policy cannot be recaptured now that there is a watchful electorate ready to check up on any ministry that places swashbuckling above national welfare. One evidence of the change is the probability that the famous Council of Genro, or Elder Statesmen, will not be revived after the death of its sole surviving member, Prince Saionji. Until the death of Marquis Okuma, in 1922, the influence of this extraconstitutional and strongly conservative body in influencing national policy was very great, but the efforts to create a new Council of Genro have met with strong opposition from all liberal spokesmen. The new suffrage act, in all probability, will assist the quiet abolition of this totally undemocratic device.

No class in Japan, however, has greater personal interest in the working out of manhood suffrage than those who are primarily concerned with commerce. The Japanese business man, for all that he has contributed so mightily to the strength of his nation, is still apt to be regarded as a social *parvenu*. Though the tax burden falls most heavily on his class, he has had in the past little political control over the spending of his money. Recognizing that Japan must compete more actively and successfully in world markets in order to maintain adequate national living standards, the leaders in trade nevertheless have been powerless to prevent a huge expenditure on armaments which the country can ill afford. It is with growing discontent that they have watched the national debt increase from \$1,120,000,000 in 1912 to \$2,500,000,000 in 1926.

There is a real clash of interest between the military and business groups, the former still believing that they

are the authentic heirs of the *Samurai* spirit; the latter maintaining that it is not great armies and fleets which make a modern nation strong, but commercial organization. At present, government in Japan is still largely in the hands of the aristocracy. Business men, who favor economic expansion rather than military aggression, are anxious to see the balance shifted to the middle class. And if the wage earners agree with the thesis that employers and employed have a solidarity of interest as against those who are anxious to sink all surplus revenues in armaments, the new enfranchisement act will greatly forward political domination by the *bourgeoisie*.

There are, however, Japanese who feel that the interests of employer and employed are far from being common and who would utilize the millions of new voters to develop a strong Labor, rather than a strong Liberal, party. Their effort is sufficiently significant to merit close attention, both in its political and economic aspects.

CHAPTER III

THE JAPANESE LABOR PARTY

On December 1, 1925, the very day of its formal organization in Tokyo, the first Socialistic political party to be launched in Japan was dissolved by order of the Home Minister. The edict of dissolution was based on Article 8 of the Public Peace Police Law, which severely limits the partial guarantees of freedom of speech, assembly, and press established "within the limits of law" by Article 29 of the Japanese Constitution. Article 8 of the comprehensive Police Law reads:

In case it is deemed necessary for the maintenance of peace and order, the police can either restrict, prohibit, or break up outdoor meetings, mass movements, or crowds of people. They can also break up indoor meetings.

If societies organized fall under the purview of the foregoing paragraph, the Home Minister can veto them. One who may consider that his rights are infringed by such action on the part of the Home Minister may file a suit in the Court of Administrative Litigation.

Japanese radicals have their full share of the ingenuity which is a national characteristic. Realizing that the fundamental reason for the government's action was the activity of communist intriguers within their ranks, they began immediately to revamp the outlaw organization. On March 5, 1926, a second Japanese Labor party was organized in Osaka, much more than Tokyo the industrial center of the nation. The government has put no obstacles in the path of this new proletarian effort. On the contrary, men who are high in

councils of state maintain in unofficial conversation that the development is welcome; perhaps because it promises to be a much-needed cleansing force in Japanese politics; perhaps because it promises to divide, and thereby weaken, liberal strength.

For the uninitiated it is difficult to spot the fundamental difference between the proscribed and the legitimate organization. The first was called the Peasants' and Laborers' party. The name chosen for the second is the Laborers' and Peasants' party. In structure the original attempt was a grouping of agricultural and trade union *organizations* for sharply reformist political action. Technically, the subsequent experiment is an association of *individuals* for an identical end, though the same organizations lend informal support.

The first Labor party was designed to support a platform of thirty-four detailed objectives, of which only half a dozen are not at the present time possessed by citizens of the United States. Some of these demands, however, were of a scope to offset the moderate nature of the bulk of the platform and were illustrative of zeal rather than intelligence among the founders; for instance, the demand for "abolition of capitalistic education in primary schools," or that calling for "provision of perfect institutions (*sic*) for the convalescence and health improvement of the proletarians." The second Labor party, on the other hand, prefers to stress a program of generalities, aiming "to establish the right of living for the proletarian class and . . . to insure fairness and equity in the production and distribution of wealth."

The major and vital difference between the disbanded and the recognized parties is that in the former Communists could automatically become members through the adherence of organizations to which they belonged,

while now, on the basis of individual membership, they can be kept out.

It is this last distinction which is all important. The Japanese authorities at the present time are in a state of nerves about communism curiously at variance with the amicable diplomatic relations sedulously cultivated with Soviet Russia. Sometimes, the police measures taken to check Red propaganda are amusingly clever, as when the members of a Russian labor delegation were unhesitatingly admitted, only to be followed like shadows during their entire visit by secret service men assigned to each potential agitator as personal guide and attendant. As often the police precautions may be painfully stupid, as in the case of a most reputable Swiss business man recently subjected to an examination at the Korean frontier grueling beyond the average, seemingly because the suspect is tall and has a beard. The average foreigner, however, has no annoyances from registration rules and that sort of supervision. Only visitors from Russia are suspect. Clever or stupid, the campaign of precaution is, in their case, always thorough, for the proximity of Soviet territory and the social unrest produced in Japan by unsatisfactory economic conditions combine to cause constant anxiety.

Yet, out of the 60,000,000 people numbered in Japan proper, the Communists claim only 45,000 adherents, while those Japanese actually affiliated with the Third International probably do not exceed 7,000 in number. Even in a country less strongly imbued with nationalistic sentiment, less strongly fortified by social traditions against resistance to authority, this would be an insignificant proportion of the population. It would seem to be a realization that repressive measures may be both unnecessary and unwise, fostered by the growth of a liberal spirit now strongly apparent throughout Japan,

which has much to do with the tolerant attitude accorded by the government to the new Labor-Farmer party.

Considering the very temperate rebukes given the government by the liberal press for its repression of the first radical venture in politics, the extravagant editorial welcome extended to its lineal successor by the same journals is doubly noteworthy. The elimination of graft and corruption in politics, the awakening of political interest among the newly enfranchised voters, the advent of truly representative government in Japan are among the predictions made by a large section of the "capitalist press" as a result of the formation of a distinctively proletarian party. When one considers that this new party was launched with fewer than 200,000 nominal adherents throughout the nation, that leaders and members are alike without political experience, that organization must be built from the ground up, and that no wealth and few men of national stature back the enterprise, these optimistic prophecies seem at first inexplicable. A glance at the depressing state of Japanese politics at the present time is necessary to show why they are made.

By its disclosures and hints of seemingly unlimited scandals, the 1926 session of the Diet succeeded in shaking the country out of much of the traditional Japanese apathy toward politics. National pride was shocked and reformist ideas stimulated by the rapid succession of unsavory cases. The president of the Seiyukai (major opposition party) was charged with permitting serious irregularities with the large sums entrusted to him as Minister of War at the time of the Siberian expedition. Immediately, the Seiyukai leaders retorted by seeking to impeach the Kenseikai (government party) leader, who sponsored the attack, on the ground that he had received money from Soviet Russia. On top of all this, widespread corruption was disclosed in connection with

the removal of a brothel quarter in Osaka, an incident the more unpleasant because said not to be the first instance of its occurrence in Japanese political life.

With serious incriminations falling impartially on all parties, Japanese commentators have pointed out that blame should attach not so much to individuals as to the anomalous constitutional structure whereby the Diet is entrusted with much less responsibility than our Congress, while the administration is relatively free from parliamentary oversight. The faults in the Japanese system of government, which has worked so successfully to span the enormous gap between feudalism and democracy, are becoming more and more obvious as the latter objective draws nearer. The pronounced executive responsibility of the British system and the careful checks and balances in our own method of divided control are both absent. Now, simultaneously with the spreading demand for better public control over administration, comes a new political party claiming to speak and act for those who have heretofore been divorced from any voice in government. Clearly, the Labor-Farmer party has potentialities beyond its apparent strength, provided there is sufficient intelligence in its leadership to dodge radical ideology in favor of important constitutional reforms. If the proletarian party misses this opportunity, another is sure to seize it. Viscount Goto, a courageous liberal of independent viewpoint with a large public following is, for one, endeavoring to create a reform party. Its chance of practical success among the newly enfranchised will be greatly augmented if the Labor-Farmer party proves intellectually narrow.

However this may turn out to be, its organization is well worth considering. On the agricultural side the strength of the Socialistic party is provided by members of the Japanese Farmers' Association, which four years after its organization numbers some 60,000 tenant

farmers. The president of the association, Mr. Motojiro Sugiyama, is also chairman of the executive committee of the new party, which committee is responsible to an assembly composed of elected representatives from the various local branches. Mr. Sugiyama is an agricultural economist, a Christian, and a close friend of the well-known social worker and author, Toyohiko Kagawa, himself a supporter of this new political movement. A third well-known adherent is Professor Isoo Abé, of Waseda University, who has been instrumental in the promotion of workers' study classes in Japan, not to mention his quarter-century of devotion to the cause of popularizing baseball.

On the industrial side the Labor-Farmer party owes most of its strength to the support of the General Federation of Labor, which with a membership of about 35,000 is easily the strongest unit in the poorly organized Japanese industrial labor movement. There are only about 220,000 trade unionists in all Japan, and nearly half of these belong to company-organized unions.

In conversation with Bunji Suzuki, president of the General Federation of Labor, this foremost of Japanese labor leaders expressed to me qualified optimism about the future of the new party, predicting that it will elect a group of from ten to fifteen members to the House of Representatives at the next general election. That event, however, is not expected immediately, since uncertainty as to the opinions of the newly enfranchised electorate makes both Diet and Administration anxious to postpone a national election until the present government's maximum constitutional term of four years has expired—until May, 1928, in other words. And ten to fifteen Laborites in a House containing 465 members is not a very formidable proportion.

Nevertheless, it is the opinion of Mr. Suzuki, who, as a graduate of the Imperial University and a man of wide

cultural background, is somewhat misleadingly called "the Japanese Gompers," that the Laborers' and Peasants' party may be expected to play a rôle in Japan roughly comparable with that of the British Labor party in Great Britain.

He anticipates that it will do much to educate politically many Japanese who have as yet only the vaguest ideas of what is meant by representative government. He believes that it will result in a better system of land tenure than that now ruling in Japan, whereby only one-third of the agricultural population are "landed farmers," and many of the tenant peasantry are paid not in monetary wages but in kind by the land owners. He believes that it will result in strengthening trade-union organization in Japan, in reducing the present standard of a ten- or even eleven-hour day, and in increasing the very low wages for which a majority of Japanese artisans work. Finally, Mr. Suzuki thinks, as do others who have less personal interest in the venture, that the new party will forward the process of making government in Japan more responsive and responsible to the popular will which, quite as much as in America, is interested in preserving in international relations the courtesy and friendliness which are deep-rooted characteristics of the Japanese people.

The Labor-Farmer party of Japan may not succeed in its ambitions. Communist intrigue may blight the tender plant by trying to twist its growth to revolutionary rather than parliamentary ends. A more real danger is that it may evolve as Socialistic in the purely imitative and doctrinaire sense, thereby permanently losing to other political ventures the support of important liberal elements which now regard this interesting experiment with undisguised approval. But as a portent of the trend of thought in Japan the significance of the new party is unaffected by what the future holds in store for it.

Steadily and necessarily Japan is becoming industrialized, drawing the raw materials and semi-finished products of other nations to her shores, then re-exporting them as articles which native skill and craftsmanship much more than shoddy cheapness stamp as desirable. The transformation from the self-contained feudal country of seventy-five years ago is staggering and, naturally, the mental change has been less marked than the physical transformation. In many ways this is desirable, for none would wish to see the spiritual beauty of old Japan stamped out by the machine. In other ways it is undesirable, for the power given by industrialization should be fettered by the free spirit and open self-criticism of democratic rule.

Unquestionably, the establishment of a workers' party in autocratic Japan is symptomatic of the blossoming of mental freedom among her people. It is as indicative of the future in that country as the mobilizing of three thousand police to "keep order" at a mass meeting of eight thousand Tokyo laborers on May Day of 1926 is indicative of the past. Whatever line solution of the labor problem takes, its existence, even in fairly acute form, is more encouraging than otherwise. Here is one, and not the least, of the abundant signs that Japan is modernized in many other ways than armaments, and has many other things of more importance than jingoistic patriotism to think about.

CHAPTER IV

JAPANESE-AMERICAN RELATIONS

"You have only to consider the trade statistics," Viscount Goto told me during my stay in Tokyo, "to realize how vital to Japan is the continuation of friendly relations with America. Even if no higher motives were involved, commercial interdependence would constitute for us an overpowering argument in favor of trans-Pacific peace."

The more one examines this subject the more apparent it becomes that business considerations are operating steadily and increasingly to mold Japanese foreign policy along peaceful lines. An index to Japan's international commitments in behalf of friendship with other powers is shown by the growth in value of her foreign trade from \$13,000,000 in 1868 to approximately \$2,500,000,000 in 1925. With no other country are good relations so important to Japan as in the case of the United States. This country is not merely her largest customer; we also supply a larger percentage of Japan's imports than any other nation. Taking around 40 per cent of Japan's exports in every year since the war, and providing her people with from one-quarter to one-third of all their imports, the United States has the same relative commercial importance to Japan that all of Europe has to the United States; and though this parallel is striking, it does not adequately bring out the supreme importance to Japan of uninterrupted trade relations with America. The natural resources of Japan are not

to be compared with those of the United States and her people are in every economic respect less self-sufficing and more dependent on the results of overseas commerce.

The foreign trade statistics of Japan proper for the last four years, measured in yen (par value 49.8 cents), are given in the following table. It also shows the value of exports to and imports from North America, which would be completely cut off in the event of hostilities with the United States. The reader will notice, moreover, how much America helps toward rectifying a persistently unfavorable trade balance.

Year	Exports (in thousands of yen)		Imports	
	Total	To North America	Total	From North America
1922.....	1,637,449	748,500	1,886,389	619,767
1923.....	1,368,799	622,643	1,922,239	536,804
1924.....	1,807,031	764,499	2,450,856	712,790
1925.....	2,305,588	1,032,693	2,570,590	704,973

Japanese exports to the United States fall largely in the luxury class. We purchase from her dealers enormous quantities of raw silk—over \$400,000,000 worth in 1925, representing 94 per cent of the total of this commodity sent abroad by the island empire. In addition America is a heavy buyer of Japanese grass rugs, tea, brushes, camphor, pottery, toys, and embroideries. Turn from this list of non-essentials to consider the character of American exports to Japan. According to figures compiled early in 1926 by E. R. Dickover, United States Consul at Kobe, the United States supplies 35 per cent of Japan's total imports of raw cotton, 80 per cent of imported lumber, 37 per cent of imported steel products, 40 per cent of imported wheat, 54 per cent of imported leather, 50 per cent of imported

machinery, and 88 per cent of her imported automobiles, a manufacture in which Japan is only just beginning to engage. Those are basic commodities, the uninterrupted supply of which is vital in time of peace, and absolutely essential in time of war.

The increasing dependence of Japan on the United States for these articles signifies, moreover, steadily increased insurance against war. It cannot be convincingly argued that Japan could readily turn to other sources of supply, when it is realized that in the case of iron and steel products, as an example, the percentage of imports taken from this country is more than double what it was in 1913, while in the case of both Great Britain and Germany the percentage of imports over the same period has been halved. At this point it is worth mentioning that the Russo-Japanese treaty, signed on January 21, 1925, and restoring normal diplomatic and trade relations between Japan and Soviet Russia, after eighteen months had not succeeded in restoring the almost negligible volume of pre-war commerce between the two nations. And while China is an immensely valuable source of supply to Japan, the chaotic republic could scarcely, even if willing, fill this rôle alone in case of war.

If business means anything, and whether or not we like the fact, trade is a determinant of increasing importance in the foreign policy of every modern nation; it means that talk of war between Japan and the United States is dangerous nonsense. In Japan the subject is seldom given consideration by any rational person. It need be regarded seriously only because a jingoistic and ignorant minority in both countries is disposed to play with the idea. If war should come, it will be because that type has been allowed to become numerous enough to force it. Fortunately, nearly every Japanese now realizes that the substitution of active hostility for

friendship would be completely ruinous to his country, irrespective of the military outcome. Among Americans excessive emphasis is laid on the authority of the military and naval cliques in Japan. It is high time that recognition be given to the way in which the growth of democratic sentiment and the weight of commercial considerations are bringing fundamental alteration to the old arrangements.

There can be no doubt, moreover, that American participation in the World War has influenced the prevalent Japanese attitude toward the United States. As in Great Britain there is a new and vivid consciousness of the rise of the United States to the status of a leading world power, reflected in the former country by establishment of such friendship-making organizations as the English-Speaking Union, and in Japan by the attention given in high quarters to the America-Japan Society. After a recent visit to Japan, Henry Morgenthau, our former Ambassador to Turkey, in an interview analyzed this new attitude on the part of her leaders as follows:

Where they used to regard us as an overgrown, provincial, smug, and self-satisfied nation with no military capacity, they have now come to recognize fully our enormous potentialities in peace and war. The Japanese statesmen, who are as keen and adroit as any in the world, fully appreciate the changed condition, and that we now hold the balance of world power. Therefore, they are now anxious to remove the notion entertained by some that they want to attack us, or covet any of our Pacific possessions. Instead, they emphasize their great and sincere admiration for America. To call that attitude propaganda is to misconstrue the word as ordinarily used. It is, rather, a natural outcome of increasingly close relations between the two countries.

Nevertheless, it must not be overlooked that increasingly close relations are apt to lead to increasing irritations. The outstanding, and indeed the only logical, cause of direct friction between Japan and the United

States at the present time is, of course, our Immigration Act, or rather the superfluous and provocative Japanese exclusion clause contained therein. It is superfluous because if Japan had been placed on the same quota basis as the European nations only 100 immigrants from that country would have been admitted annually; and it is provocative because of the direct racial discrimination, which applies equally, however, to the Chinese and other Asiatic peoples.

Passage of this Act by the United States Congress in May, 1924, while the wounds caused by the great earthquake only eight months previous were still raw, has been a severe blow to the justified self-esteem of Japan and has unquestionably done lasting injury to America's reputation in that country. Among the older generation, in particular, the absolute ban placed against Japanese emigration to the United States will always be regarded as a hostile action. Ample evidence could be cited to support that statement, but it will be sufficient to quote here part of a statement made to me by Viscount Shibusawa, the "grand old man" of Japan, who from the vantage point of eighty-six years has special qualifications in singling out what is significant and what is ephemeral in international relations. He said:

The sudden breaking of the Gentlemen's Agreement, in order to classify Japan with those people whom you discriminate against, has spoiled a splendid international relationship. The resentment aroused in my country has done much to wipe out the memory of past friendships, and it is well to remember that this resentment is as strong now as when the immigration act was passed. A proud and sensitive people are doubly offended if it is assumed that they can easily forget what seems a direct and personal affront.

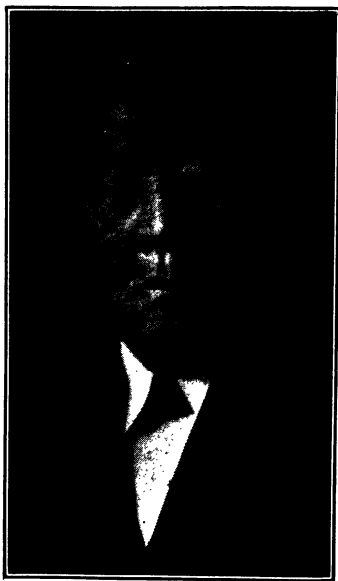
On the other hand, many of Viscount Shibusawa's younger, but no less keen-minded, countrymen are fully cognizant of the fact that Japan herself long maintained an exclusive attitude, firmly prohibiting foreign owner-

ship of land, excluding foreigners from holding shares in certain of her companies and banks, and giving such slight encouragement to naturalization that change of allegiance is extremely rare except among the Chinese in Formosa. During the 1926 session of the Diet, however, legislation was passed abolishing all restrictions on alien land ownership, without regard to discriminatory land laws against Japanese in other countries. This characteristic action of present-day liberal Japan certainly heaps coals of fire upon American heads. But it does not alter the impression that what is objectionable in our Immigration Act in reference to Japan is not exclusion so much as a phrasing which made the recognition of a racial difficulty appear to the Japanese as an assumption of racial superiority.

Wise men waste no time on the idle question of whether the white race or the yellow is "superior," the answer to which must depend almost entirely on what standards of valuation are uppermost in the mind of the interrogator. The issue of whether severe restrictions on the commingling of the two races is not desirable for both is subject to more scientific analysis. In this connection a confidential letter written in 1892 by Herbert Spencer, for the advice of Count Ito, the then Premier of Japan, is still worthy of extensive quotation. It is also noteworthy that Lafcadio Hearn, reprinting this letter as an appendix to his finest and most penetrating book on Japan,¹ strongly approves the advice given, though himself a naturalized Japanese subject married to a woman of that race. The great English biologist and philosopher wrote:

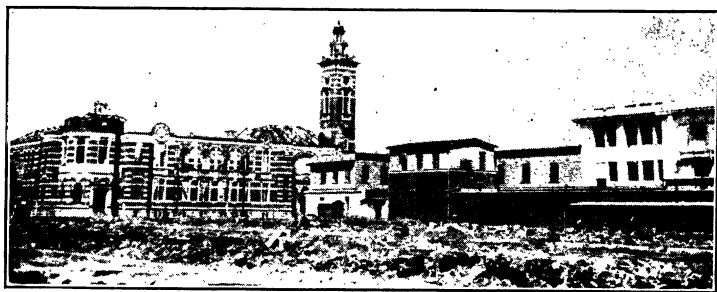
Respecting the further questions you ask, let me, in the first place, answer generally that the Japanese policy should, I think, be that of *keeping Americans and Europeans as much as possible at arm's length*. In presence of the more powerful races, your

¹ "Japan, an Interpretation."



VISCOUNT EIICHI SHIBUSAWA

A great Japanese Liberal who tells his countrymen that "our friend across the Pacific has recently shown in her attitude toward Japan that she is not over-eager for the friendly relations we desire."



YOKOHAMA IN 1926

Three years after complete devastation by the earthquake, Japan's most famous seaport is rising slowly from its ashes.



position is one of chronic danger, and you should take every precaution to give as little foothold as possible to foreigners.

It seems to me that the only forms of intercourse which you may with advantage permit are those which are indispensable for the exchange of commodities—importation and exportation of physical and mental products. No further privileges should be allowed to people of other races, and especially to people of the more powerful races, than is absolutely needful for the achievement of these ends. Apparently, you are proposing, by revision of the treaty with the Powers of Europe and America, to open the whole Empire to foreigners and foreign capital! I regret this as a fatal policy. If you wish to see what is likely to happen, study the history of India. Once let one of the more powerful races gain a *point d'appui*, and in course of time there will inevitably grow up an aggressive policy which will lead to collisions with the Japanese; these collisions will be represented as attacks by the Japanese which must be avenged, as the case may be; a portion of territory will be seized and required to be made over as a foreign settlement; and from this there will grow eventual subjugation of the entire Japanese Empire. I believe that you will have great difficulty in avoiding this fate in any case, but you will make the process easy if you allow of any privileges to foreigners beyond those which I have indicated.

In pursuance of the advice thus generally indicated, I should say, in answer to your first question, that there should be, not only a prohibition of foreign persons to hold property in land, but also a refusal to give them leases, and a permission only to reside as annual tenants.

To the second question I should say decidedly prohibit to foreigners the working of the mines owned or worked by government. Here, there would be obviously liable to arise grounds of difference between the Europeans or Americans who worked them and the government, and these grounds of quarrel would be followed by invocations to the English or American governments or other powers to send forces to insist on whatever the European workers claimed, *for always the habit here and elsewhere among the civilized peoples is to believe what their agents or sellers abroad represent to them.*

In the third place, in pursuance of the policy I have indicated, you ought also to keep the coasting trade in your own hands and forbid foreigners to engage in it. This coasting trade is clearly not indicated in the requirement I have indicated as the sole one to be recognized—a requirement to facilitate exportation and importation of commodities. The distribution of commodities brought to Japan from other places may be properly left to the Japanese themselves, and should be denied to foreigners, for the reason that again the various transactions involved would become so many doors open to quarrels and resulting aggressions.

To your remaining question respecting the intermarriage of foreigners and Japanese, which you say is "now very much agitated among our scholars and politicians" and which you say is "one of the most difficult problems," my reply is that, as rationally answered, there is no difficulty at all. It should be positively forbidden. It is not at root a question of social philosophy. It is at root a question of biology. There is abundant proof, alike furnished by the intermarriages of human races and by the interbreeding of animals, that when the varieties mingled diverge beyond a certain slight degree *the result is inevitably a bad one* in the long run. . . . The physiological basis of this experience appears to be that any one variety of creature in course of many generations acquires a certain constitutional adaptation to its particular form of life, and every other variety similarly acquires its own special adaptation. The consequence is that, if you mix the constitution of two widely divergent varieties which have severally become adapted to widely divergent modes of life, you get a constitution which is adapted to the mode of life of neither—a constitution which will not work properly, because it is not fitted for any set of conditions whatever. By all means, therefore, peremptorily interdict marriages of Japanese with foreigners.

I have for the reasons indicated entirely approved of the regulations which have been established in America for restraining the Chinese immigration, and had I the power I would restrict them to the smallest possible amount, my reasons for this decision being that one of two things must happen. If the Chinese are allowed to settle extensively in America, they must either, if they remain unmixed, form a subject class standing in the position, if not of slaves, yet of a class approaching to slaves; or, if they mix, they must form a bad hybrid. In either case, supposing the immigration to be large, immense social mischief must arise, and eventually social disorganization. The same thing will happen if there should be any considerable mixture of European or American races with the Japanese.

You see, therefore, that my advice is strongly conservative in all directions, and I end by saying as I began—*keep other races at arm's length as much as possible.*

Whether its influence on government was direct, or indirect through its accordance with the reasoning of Japanese statesmen during the transformation, Herbert Spencer's advice has been followed in spirit and is still to a large extent influential in Japanese policy. Its value is most obvious by consideration of contemporary conditions in China, where the progressive seizure of

privileges by foreigners has contributed so greatly to present-day chaos. Holding the white man "at arm's length," Japan has come successfully through her testing period and risen with wonderful celerity to a position where she need fear the foreigner no longer. Does that mean that the underlying racial difficulties are solved? The proportion of Japanese who think so is as small as that among Americans; but the proportion who would bring tact and friendliness to ease the rough corners of the problem seems to be larger there than here.

CHAPTER V

JAPAN IN MANCHURIA

Among Japanese commercial magnates, military leaders, and statesmen one question, or series of interrelated questions, in foreign policy is so predominantly uppermost that neither energy nor desire is left for adventuring in other fields. That all-important question is not Japanese-American relations, which are considered good and likely to become better, unless the United States chooses to force a rupture. It is not annexation of the Philippines, widely regarded as a bugaboo conjured up by Americans in Manila, perhaps because it helps to conceal the real issues in our colonial problem there. Nor is it military aggression in China proper, abandoned with the dawning realization that China can be a dangerous enemy now, while, in the future, she may be very valuable as a friend. The really absorbing issue in Japanese foreign policy at present is the steady progress of economic penetration in Manchuria, with which is bound up the question of whether trouble with Soviet Russia can be satisfactorily averted.

The ceaseless maneuvering for position in China on the part of both Japan and Russia is a phenomenon which one meets in every section of the unwieldy and chaotic republic. Each of the two stable nations is playing a lone hand there, Russia obviously so, Japan at bottom no less individualistic since the termination of the Anglo-Japanese alliance and the passage of our Immigration Act combined to teach her statesmen that

white societies do not wish to count her as an active partner. Nowhere is the rivalry between the most radical and the most conservative of modern governments so pronounced as in Manchuria—that vast territory of enormous potential wealth where Japan has invested over a billion dollars in the property of the South Manchurian Railway Company alone, and where Soviet Russia is holding the control of the Czarist-built Chinese Eastern Railway with a tenacity strangely out of accord with her diatribes against imperialism as practiced by others. No study, however slight, of Oriental problems can fail to take into account the clash of interests between Japan and Russia in Manchuria, for it is in that territory, and nowhere else, that Nippon plans to round out her natural deficiencies so that she may remain the great commercial power she has become.

To understand the situation, one must glance briefly at the history of the Chinese Eastern Railway, a constant source of irritation in the Far East since its inception in 1896. At that time Russia, with the support of Germany and France, had forced Japan to renounce possession of the Liaotung Peninsula, ceded to her by China after the Sino-Japanese war of 1894. Russian plans for the seizure of that peninsula herself, which took place in 1898, were well under way, and the Trans-Siberian Railway had been under construction for five years. A glance at the map on page 41 will show how construction of the Chinese Eastern Railway due south-east from Chita to Vladivostok not merely shortened the circuitous frontier route of the Trans-Siberian by 570 miles, but also tapped for the benefit of Russia's chief Pacific port the untouched resources of North Manchuria and furthered the Russian policy of political expansion in this part of China.

The concession granted by the Chinese government of the time was typical of those extorted by European na-

tions from the decadent Manchu dynasty at Peking. Founded as a Russian joint stock company, the Chinese Eastern Railway was given power to acquire land which the Czarist government deemed necessary for the "construction, operation, and protection of the line," which sweeping preliminary was followed by clauses granting the company "the absolute and exclusive right of administration of these lands," and the right to erect buildings and construct telegraph lines. Russian officials, technicians, and laborers swarmed in and settled throughout the railway zone to an extent which made it virtually a Russian colony, despite the provision that eighty years after the completion of the road it should revert to China without payment. The tendency toward covert annexation was strengthened when after the Boxer rebellion Russian regiments, sent on the pretext of guarding the Chinese Eastern Railway, remained, not merely in the concession zone, but throughout all of the three Manchurian provinces. The failure of Russia to withdraw these troops and restore Chinese authority in Manchuria, coupled with St. Petersburg's obvious policy of economic and political encroachment in Korea, was the main cause of the Russo-Japanese war of 1904-1905.

Contrary to popular impression, this war was by no means the sweeping victory for Japan that has been pictured. The Japanese delegates to the Portsmouth peace conference faced the Russians not as dictators, but as negotiators fully conscious that continuation of hostilities might see the tide of battle turn against them. For that reason there could be no chance of expelling Russia from Manchuria. The Russian rights in the Liaotung Peninsula were transferred to Japan, as was the South Manchurian branch of the Chinese Eastern Railway, running from Changchun to Port Arthur, with its connections, China consenting in a special treaty with Japan. The main line of the Chinese Eastern Railway remained Rus-

sian, as did the section from Harbin to Changchun. Russian influence in North Manchuria remained as strong as ever, strengthened, if anything, by concentration, and the net result was the division of the Three Eastern Provinces, as Manchuria is known in China, into two spheres of foreign influence instead of one.

Germany, with a strong foothold in Shantung; France, expanding her influence from Indo-China into Yunnan; Great Britain, owning Hongkong, leasing Weihaiwei, dominating the Yangtze Valley from Shanghai, and anxious to keep Russia from protesting her aggression in Tibet—these three nations readily concurred in the new arrangement in Manchuria. The United States, alone interested in preserving the territorial and administrative integrity of China, was the only great power to view the partitioning of Manchuria with distrust.

A test of sincere interest in the preservation of Chinese sovereignty was put up to the other powers when Secretary of State Knox, in November, 1909, proposed redemption of the Manchurian railroads by means of an international loan to China, administration of the lines to be handled by a joint international commission during the period of the loan. Both Russia and Japan registered strong opposition to the plan, while Great Britain and France were careful to refrain from indorsing a proposal so at variance with their own policies in China. In consequence, the division of Manchuria remained a *fait accompli*, with Russia in the north and Japan in the south steadily solidifying the political and economic power given them by the untrammelled railroad concessions. Manchuria is a huge, underpopulated, and undeveloped country. Its area of 363,700 square miles is approximately as great as the combined areas of the states of New York, Pennsylvania, Maryland, New Jersey, Ohio, Virginia, West Virginia, North Carolina, South Carolina, and Georgia. Its population, by the most gen-

erous estimate, is not greater than that of the three states first named above.¹ Both Japan and Russia could work in their separate zones for years without coming into rivalry.

The World War, however, brought new factors into play. It greatly strengthened Japan's position in the Far East, while all of Russia's attention and energies were absorbed in Europe, so much so that in 1916 the Czarist government consented to sell a small section of the Chinese Eastern Railway's southern branch to Japan. The next year came the Bolshevik revolution. While the Chinese Eastern Railway remained in the hands of its Russian administration, strongly anti-Soviet in character, it was helpless without the subsidies which the Czarist Treasury had been granting.

During the international Siberian expedition already discussed (in Chapter I), the Chinese Eastern Railway, as part of the Trans-Siberian system, was operated by an Interallied Technical Board under the presidency of John F. Stevens, the well-known American railway engineer. Of the money advanced during the international trusteeship of the line, which continued until October 31, 1922, about \$5,000,000 came from the United States. In spite of the fact that only a trivial proportion of our population has ever heard of the Chinese Eastern Railway, we were becoming more deeply implicated therein than any foreign nation other than Russia and Japan. On the date of our retirement from a share in management, Washington formally announced its interest "in the efficient operation of the railway and its maintenance as a free avenue of commerce open to the citizens of all countries without favor or discrimination." Except that

¹ *The Chinese Economic Monthly* for January, 1926, estimates the total population of Manchuria at "less than fifteen million," or about forty persons per square mile. The Japanese estimates are 50 per cent higher.

our attitude was more assertive then, the American policy towards the Chinese Eastern Railway had not changed at all since the unwelcomed "open door" proposal made by Secretary Knox thirteen years earlier.

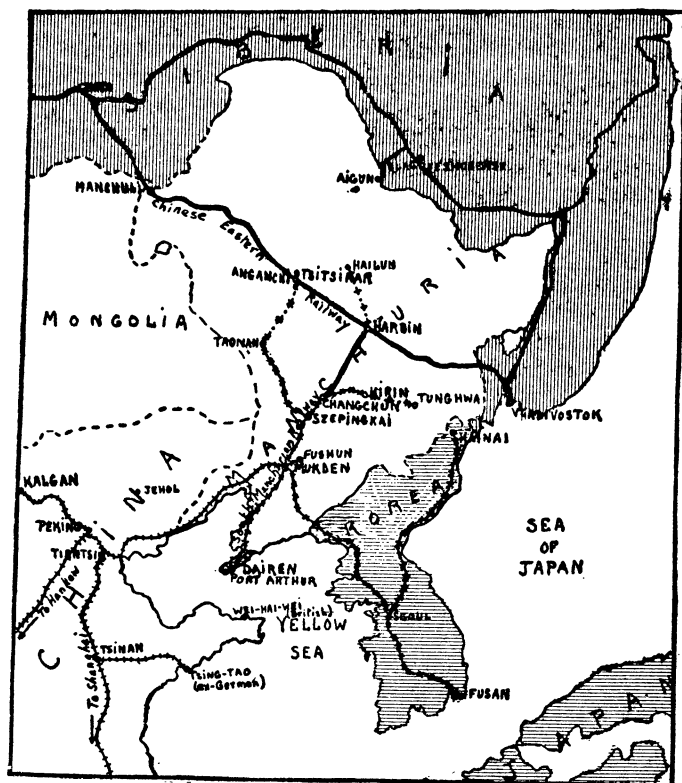
Neither, it has developed recently, has there been any fundamental alteration in the Russian attitude toward the Chinese Eastern Railway, in spite of the sounding fury of Soviet opposition to imperialism as practiced by capitalistic nations. On May 31, 1924, the Peking government, having recognized the Union of Soviet Socialist Republics, signed with it an agreement for joint control of the Chinese Eastern Railway, pending its presumable ultimate redemption by China. Of the ten members of the Board of Directors five, including the president, are Chinese and five Russian. The vital office of general manager is held by a Soviet government appointee and about 25,000 of the railroad's employees, being substantially over half, are Russians, the majority of them tested communists. That these Russian railroad workers are in Manchuria for other purposes than the mere operation of the Chinese Eastern Railway is attested, to cite only one bit of evidence, by a speech made by Leon Trotsky in Moscow on January 29, 1926. Herein, as quoted by the *Tass* (Official Soviet) *News Agency*, he observed that "the Russian workers on the Chinese Eastern Railway are, as it were, the permanent representatives, the junior diplomats of the Soviet Union in the very heart of Manchuria."

Russian Soviet spokesmen have frequently accused Japan of seeking to detach Manchuria from control by the Peking government. Yet, four months after signature of the Chinese Eastern Railway agreement between Moscow and Peking, the Russians, on September 20, 1924, concluded a separate treaty with Chang Tso-lin, war lord of Manchuria, at that time in open rebellion against the Chinese central government. By its implied

recognition of Manchurian independence, the Soviet government in this second Chinese Eastern Railway agreement made a diplomatic *faux pas* almost as serious as the notorious Japanese "Twenty-one Demands." Since that time Chinese suspicion of Russia's protestations of friendship has been on the increase. In essentials, the Russian treaties with Peking and Mukden relative to the Chinese Eastern Railway are identical, though the latter sets a date for the ceding of the road to Chinese ownership, making the concession period sixty years instead of the eighty years stipulated in the original Czarist agreement.

It is natural that Japanese statesmen should be somewhat irritated and disturbed by the turn events have taken in Manchuria since the rapid recuperation of Soviet Russia. Instead of having the virtually clear field in Manchuria which seemed probable for some years after the Bolshevik revolution, Japan now finds the new Russia about as firmly established there as was the old, with the difference that Russian leaders no longer play the game of diplomacy according to accepted rules, and have many more influential friends among the Chinese than their Czarist predecessors had. With more and more capital going from Japan into Manchuria, the situation there is one of tension; and this tension is being brought to the point of strain by the important Japanese railroad developments steadily working up into the Russian sphere of influence and threatening both the strategic and the economic importance of the Chinese Eastern Railway.

The most important of the Japanese-controlled feeders to the South Manchurian Railway is that from Taonan to Tsitsihar, which is now nearing completion and will probably be open for regular traffic as far as Anganchi on the Chinese Eastern main line before the close of 1926. The map on page 41 indicates how this



RAILROAD MAP OF MANCHURIA

Key
 — Railroads owned or influenced by Japan
 - - - " " " " " Japan
 . . . Chinese Government Railroads

line, connecting with that already in operation from Taonan to Szepingkai, will tend to develop districts along the Chinese Eastern Railway and drain to the Japanese port of Dairen products which heretofore have found haphazard outlet through the Russian port of Vladivostok. Before the section from Taonan to Anganchi was more than half completed, Mr. Fujine, a high official of the South Manchurian Railway, reported that 100,000 tons of agricultural products had been shipped southward over it, though not a house was visible from the line when the preliminary surveys were made. Soviet officials are openly anxious over this encroachment in a territory long considered a Russian preserve, and are doing what little they can to delay completion of the line. For instance, as Tsitsihar, capital of Heilungkiang Province, lies to the north of the Chinese Eastern Railway main line, the Japanese engineers will be forced to carry their road across the Russian line by viaduct, after first making a detour to avoid the Central Eastern Railway land concession around Anganchi station.

Another railroad development of significance to Russo-Japanese rivalry in Manchuria is that which will extend the present Chinese line from Changchun to Kirin by carrying it on to Tunghwa. Although planned by Japanese interests as far back as 1909, the scheme languished until the South Manchurian Railway in 1925 agreed to construct the line as contractor for the Chinese government, an arrangement similar to that in operation on the Taonan-Tsitsihar railroad. This contract was repudiated in the autumn of 1925, when Marshal Chang Tso-lin's influence was temporarily withdrawn from the Peking government, and that of Russia increased there; but later its legality was established. The contract calls for completion of the 130-mile extension in two years, which is regarded as optimistic in view of the mountains and forests across the route.

Rich arable lands and mineral deposits, at present undeveloped, will be tapped. There is little doubt that this line eventually will link up with the Korean government railways at Kanai, thus bringing another big slice of Manchuria into the Japanese economic orbit and further threatening the commercial value of Vladivostok. This city has now been made a free port by the Soviet government as a part of the effort to combat Japanese commercial penetration.

One of the lesser handicaps of the Russian-managed Chinese Eastern Railway in rivaling these Japanese-sponsored developments is its five-foot gauge. From Harbin, center of Russian influence in Manchuria, north to Hailun has now been started a standard-gauge line which in time should reach the Siberian frontier at Aigun, across the Amur River from Blagovieschensk, on a Trans-Siberian branch line. This connection between the Chinese Eastern and Trans-Siberian railroads would have been put through by the Soviet government had funds been available. Construction now is being financed by the provincial government of Heilungkiang (one of the three Manchurian provinces) and is under the direction of M. Ostroumoff, former engineer-in-chief of the Chinese Eastern Railway, who was imprisoned by the Soviet authorities when they assumed charge at Harbin in October, 1924. Here is a third link in the chain of anti-Soviet railroad engineering which is being spread throughout the Chinese Eastern Railway zone. Without considering other Manchurian railroad schemes of a nebulous character, such as a line from Hailun to Tsitsihar, and another from Taonan to Jehol, it is obvious from the map that the tacit Sino-Japanese alliance in development of this type is tending completely to undermine Russia's heretofore privileged position in the north of this economically and politically important territory.

Nor, as authoritative Japanese spokesmen are glad to point out when anonymity is preserved, is Moscow in any way able to check this highly significant trend. All of the new railroad lines are being built on Chinese soil at Chinese request, and to oppose them, whether on grounds of strategic or economic interest, is tantamount to a public admission that a reflection of Czarist imperialism lurks behind the Russian claim of being China's most devoted friend. It cannot be said that the railroad extensions described threaten the strategic value of the Chinese Eastern Railway without a plain implication that Russia's interest in this road is purely selfish. And Soviet officials cannot openly object to the diversion of traffic from Vladivostok to Yellow Sea ports since this diversion is obviously in the interest of Chinese as well as Japanese prosperity.

To what extent Japan, in her successful effort to undermine Soviet Russia in Manchuria, is further encroaching upon Chinese sovereignty is a topic requiring realistic consideration of the Chinese situation as preliminary. The answer really depends on whether one views Chinese sovereignty as something real, or as a phrase which may be considered meaningless in view of actual conditions in that country. There is no doubt that there are many influential Japanese, both military and commercial types, who would like to see their country take political steps in conformity with the enormous economic investment of Japan's nationals in Manchuria; but there is equally little doubt that the present-day statesmen of Japan above everything are anxious to avoid any action which might contribute to the fostering of anti-Japanese sentiment in China. The termination of the Anglo-Japanese alliance, the passage of the American Exclusion Act, the rise of Soviet Russia, and the domestic problems already touched upon have all contributed to give a new orientation to Japanese

foreign policy. The winning of the friendship and confidence of China—as a neighbor, as a people of kindred race, as a source of raw materials, as a vast potential market for Japanese products, as the country which has influenced Japan spiritually more than any other—from every angle seems vital in Tokyo now. The *Gaimusho*, or Foreign Office, is doing its utmost to see that Japan and China draw together rather than apart.

In Manchuria, it must be remembered, Japan is playing for a tremendous stake—the solution of all her pressing economic problems. The agricultural potentialities of the country are enormous, the 100,000,000 acres now under cultivation in beans, kaoliang, millet, corn, wheat, barley, rice, oats, and tobacco giving only an indication. Animal husbandry of every type, from chickens to camels, is well developed. There are millions of acres of virgin forest containing practically every type of tree known to the temperate zone. Manchuria is very rich in mineral deposits; gold, iron, and coal being most abundant, while silver, sulphur, gypsum, asbestos, and sodium salts are all found in considerable quantities. The Fushun coal mines, one of the numerous industrial enterprises operated for Japan by the South Manchurian Railway, are alone estimated to have deposits of over 1,000,000,000 tons of rich bituminous coal of which over 10,000 tons are now being taken out daily. As for foreign trade, an idea of the rapid development under Japanese exploitation can be obtained by taking the import and export figures for 1908 and 1924 at Dairen, through which Japanese-leased port now passes two-thirds of Manchuria's external trade. The value, in United States currency, is as follows:

	1908	1924
Imports	\$13,585,354	\$62,499,706
Exports	8,315,728	98,767,098

No less than 20 per cent of the total foreign trade of China is concentrated in Manchuria, which has about 4 per cent of China's total population; and Japanese ships today provide twice as much of the tonnage carrying this trade as do the ships of all other nations combined.

In this connection the phraseology of the famous Lansing-Ishii note of November, 1917, will come to mind. Our State Department then stated, and there were many recriminations afterwards because of it, that:

The governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and consequently the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

Whether or not we hold today that special interests in Manchuria must not be interpreted by Japan as "paramount interests," the fact remains that Japanese penetration there goes on apace. In the first nine months of 1925, the Japanese civil population there increased by over 5,000, from 179,484 to 184,528,¹ the figure being exclusive of nearly 100,000 who reside in Kwantung leased territory on Liaotung Peninsula. The total population of Japan proper on October 1, 1925, was 59,736,822, representing an annual increase of about 750,000 since 1920. One per cent of this increase is now emigrating to Manchuria, counting Kwantung as a part thereof. It is the only foreign territory where this circumscribed people can accomplish essential expansion without immediate trouble.

Whether or not the expansion can continue without arousing an acute Chinese or Russian hostility remains

¹The total number of Japanese residing abroad on October 1, 1925, was estimated by the Tokyo Foreign Office at 620,000, of whom nearly one-third are therefore residents of Manchuria. The Japanese population of China proper on the same date was put at 47,612.

to be seen. But in either or both cases it may be asserted, without assuming the dangerous prophetic rôle, that Japan, whatever the political arrangement, is in Manchuria to stay.

CHAPTER VI

"STATES' RIGHTS" IN CHINA

To most Americans and, it must be added, to a surprisingly large proportion of the foreigners resident in China, the politics of that country appear as a vicious and incomprehensible muddle. Vicious they often are; incomprehensible they need not be. That confusion arises is partially due to our shallow custom of identifying contemporary movements with the men who seem to exemplify them. Ordinarily, this is easier than the more logical course of studying the forces underlying great popular eruptions, letting the so-called "leaders" fall into their places afterwards. When such unfamiliar appellations as Wu Pei-fu, Chang Tso-lin, Sun Chuan-fang and Feng Yu-hsiang are to be memorized, the personality method becomes a boomerang for those who would learn speedily.

We can see the fallacy of undue personification in our own history. Nobody contends today that Jefferson Davis was more than a by-product of the Civil War, and even in the case of George Washington, where idealization has been concentrated for generations, we know that the man was made by the upheaval, not the other way around. In China, where the individual counts for much less than in the Occident, we should be equally realistic. In present-day China, moreover, it is not merely that the names of outstanding personalities are hard to remember. The causes of unrest are also difficult to analyze in a way flattering to white pride of race.

These factors combine with the scarcity of impartial news, the remoteness of the country, and other causes to make it easy to disregard what is happening across the Pacific. Apathy, however, is patently inconsistent with our increasing political, financial, and spiritual implications in China, a nation whose invaluable contributions to civilization richly merit American appreciation even without the more prosaic arguments for better understanding.

In considering the problems of China in terms of movements rather than men, it is of prime importance to visualize the continental nature of the country. Considerably larger in area than the United States and all its possessions, China has only about six thousand miles of railroads, approximately the same mileage as the Baltimore and Ohio system alone. The difficulties of communication must be understood, for they are basic obstacles to every phase of national regeneration. It is well to remember, for instance, that even in normal times it takes as long to travel overland from Peking to Canton as to go from New York to Moscow.

Again, the Chinese, even disregarding outlying districts of the unwieldy republic, are not a homogeneous race. Without considering the many ethnical elements brought together by distant wars of conquest and migrations, we can readily see geographical causes for heterogeneity. Superimpose the map of China to scale upon that of North America and it will not merely exceed the breadth of the United States at its widest part, but will extend from the latitude of southern Alaska to that of Guatemala. Within this vast territory dwell some four hundred million people,¹ about one-quarter of mankind as a whole, who are divided into at least five distinct physical groups. These groups, differing from one another

¹The Chinese Post Office estimate for 1923, generally regarded as somewhat high, gives a total population of 436,094,953.

as much as the Nordic, Alpine, and Mediterranean races in Europe, are symbolized by the five-bar flag of the Chinese Republic. In that flag the red stripe represents the Chinese proper, the yellow the Manchus, the blue the Mongols, the white the Tibetans, and the black the fifteen to twenty million Mohammedan members of the huge Chinese family.

Stretching from the fifty-third degree of north latitude, where Manchuria and Mongolia indent Siberia at widely separate points, to the eighteenth degree, where the great island of Hainan lies on a level with Bombay, it is natural that there should be physical differences between the Chinese of the north and the south. The average Cantonese is between three and four inches shorter and far slighter than his compatriot from Peking, a spread in stature which, since the majority of Chinese in this country are from Kwangtung Province, has given rise to the false conception that the nation is undersized by our standards. Mental differences are as pronounced, the southern Chinese being as a rule more aggressive, nervous, fiery, and mentally alert than those of the north. Whatever government may be in power in Peking, it is a commonplace that most of the administrators there are likely to be from south of the Yangtze, the great river which divides China proper into two nearly equal segments. As is well known, moreover, the spoken language differs so that highly educated Chinese from Canton and from Peking will often find it easiest to converse with one another in English. Food, clothing, architecture, and many other details of living all differ from north to south in China as much as the appearance of the countryside, ever verdant in the semi-tropical south, but brown, desolate, and arid during the northern winter months.

Yet, under these superficial differences, all the essential conditions of national unity are present, as

those who would split China into spheres of foreign influence have experienced to their cost. The spoken language, where the Mandarin is not used, may vary so much as to make the people of different provinces unintelligible to one another; but the written language is everywhere identical. Railroads traverse only a fraction of the country, and run precariously at that; but the government postal system, the telegraph, and now even the wireless as well, bind the country together intellectually, if not physically. In ethical ideas, cultural background, and social arrangements there is pronounced uniformity throughout the republic, the cleavage being between indigenous and foreign systems rather than geographical.

Historically, no other existing nation can claim anything like the political continuity that China shows, with her recorded story of four thousand years of national existence. When Cæsar was invading Britain, the boundaries of China had been laid down much as they exist today. Before that, when ancient Greece was establishing a pocket of civilization on the fringe of barbarian Europe, the Chinese had spread a culture, quite as interesting and in many ways fully as worthy of modern respect as that of Greece, over an area greater and a people far more numerous than those of pre-Christian Europe. It is a small wonder that the Chinese for centuries regarded the white race as crude and uncivilized. Nor is it surprising that their tradition of greatness in the past unifies the teeming millions from Manchuria to Kwangsi, from Szechwan to Chekiang, in a way which cuts deeper than surface disorders and transient civil warfare. The proof of this, in terms which the west can understand, was given when anti-imperialist risings flamed out all over China following the shooting of demonstrators by British police in Shanghai on May 30, 1925.

No reasonable observer claims that Russian influence caused these widespread protests, however much Soviet propagandists may have abetted them. They were essentially the reflection of an outraged national unity, no less deep than our own unity because moulded along less assertive and more mellow lines.

Fundamentally, we must agree, China possesses all the conditions requisite for development as a national entity in the modern sense of the phrase; but this development must follow lines natural to the conditions and traditions of the country rather than systems imposed by or blindly copied from Occidental states. Japan could imitate where China cannot, partly because of the enormous geographical differences between the two countries, partly because the Chinese character has always resisted imitation, even where materially profitable, as much as the Japanese has leaned toward it. Worth remembering is the fact that before Japan began to westernize herself, Chinese literature, philosophy, and social codes were models for the island empire. One reason why the Japanese worry so much about "Bolshevism," while most Chinese regard communist propaganda almost with indifference, is the relative immunity of the latter country to external influence, as opposed to the marked susceptibility of Japan. Certainly, it is a tribute to China's inherent strength that she remains the only non-white nation which has not succumbed, whether by conquest or by imitation, to the spirit of aggrandizement which has brought all the rest of the world to the adoption of Occidental methods.

Politically, China has for centuries been the loosest imaginable form of federal union, with each of the provinces preserving complete autonomy over its domestic affairs, and such outlying districts as Tibet, Turkistan, and Mongolia quasi-independent in character. The alien Manchu dynasty, which ruled in Peking from 1644

to the abdication of the last Emperor in 1912, was during its early period of power too wise to stir hostility by gratuitous interference in local affairs. The provinces, which are delimited much as they stand today in the oldest maps of China which have any pretense of accuracy, saw an increase rather than a limitation of their "States' Rights" in the two centuries from 1650 to 1850. The Imperial representatives appointed by Peking collected such relatively small taxes as the central government demanded, of course adding a percentage for personal "squeeze," which is as much an accepted custom in China as the taking of ground rents or mineral royalties is in Anglo-Saxon countries. This small financial levy, coupled with an occasional foray by Manchu troops, if necessary to preserve civil peace, was about the extent of federal authority until foreign penetration combined with a succession of feeble rulers to force the cumulative changes which underlie the present chaos in China.

It frequently has been pointed out that it was not territorial aggression, but insistence on the right to engage in commerce which was the objective of the Chinese policy of the foreign powers during the early years of the nineteenth century. Even so the destructive effect on the Chinese form of government was pronounced. The preliminary aim of the powers was to force the recognition and acceptance of their envoys by Peking, long resisted by the Manchu court not entirely, it is legitimate to surmise, out of "cussedness," but from the same close reasoning based on observation which caused Herbert Spencer, years later, to advise the Japanese to "keep other races at arm's length as much as possible."¹ Distrust was not misplaced. No sooner were foreign diplomats securely established in Peking than they began to demand that the central government insure pro-

¹ See pp. 30-32.

tection to their uninvited nationals in every part of China. The pressure had begun to break down that local self-government based on family and guild organization which was so natural and basic to the Chinese system.

Some of the worst injuries the white race has brought to China have been implicit rather than overt. Tang Shao-yi, the first Prime Minister of the Chinese Republic, told me that when he was a boy in Kwangtung he never saw a policeman, and that the absence of the disciplinary side of government was taken for granted by people accustomed to regulate their actions by ethical standards rather than by laws. Nothing, of course, is easier than to picture the past as idyllic, regardless of the fact that such bloody interludes as the Taiping Rebellion can be found in every "golden age" of Chinese history. But evidence is irrefutable of the ability of the Chinese to order their lives industriously and happily with a minimum of the evil of government. The student need only refer to the maxims of Confucius to realize the emphasis which his countrymen lay on the avoidance rather than the forceful suppression of controversy. The difference between Confucianism and Christianity in this respect is that the former has written its ethics much more deeply in the daily life of its followers.

A good illustration of what is meant by an implicit injury to China is found in the effect of the Boxer indemnity in plunging the country into political chaos. There is no question that the Boxer rebellion was an insane and terrible outbreak, though no impartial historian can deny that there was great provocation for the rising in the progressive encroachments of foreign powers on Chinese sovereignty. With polemics on this issue, however, we are not here concerned. The insufficiently realized point is that the indemnity of over \$300,000,000 imposed on China led by direct and per-

ceptible stages to the revolution of 1911 and the establishment of a nominal Republic for which the country was in no way fitted or prepared. To raise the first installments of this huge indemnity, a central government which had shown itself helpless to check shameless foreign aggression was forced to increase tax levies and otherwise interfere in local affairs at the very moment when the inherent Chinese dislike for the Manchus was beginning to harden.

Whether or not the reform movement to which the Manchu dynasty gave belated support might have modernized the Chinese government with as little disorder as occurred in Japan is now an academic speculation. A careful plan was promulgated in 1908, designed to alter the existing autocracy to a constitutional monarchy with a bicameral elected Parliament after nine years of progressive preparation. The alien character of this program and the enormous extent of illiteracy in China might alone have defeated the end sought. But beyond this the reforms were so planned as to continue and amplify the centralization policies to which the Manchus had become committed. In any event the time was past for saving a monarchy which had become identified with a progressive surrender of territory and sovereign rights to foreign aggression.

Tzu-hsi, the formidable old Empress Dowager, might have been able to postpone the revolution by her personal ability and prestige, but she died in November, 1908, only a few months after the initiation of the reform program. The same week died also her nephew, Kuang-hsu, the nominal emperor, who for ten years had been kept a virtual prisoner by the Empress Dowager because of his eagerness to revise the Chinese system of government along western lines. The new occupant of the Dragon Throne was four-year-old Prince P'u-yi, whose reactionary guardians quickly proceeded to make the

pending revolt inevitable. In Peking, early in 1926, I met the younger brother of this last of the Manchu emperors. The weakness of his face and the delicacy of his physique did much to illustrate how the warrior Manchu dynasty had been played out by three centuries of court life. Yet, even this overrefined lad, living in seclusion and in danger of injury at the hands of his countrymen, was so imbued with the prevalent national feeling that he had abandoned the study of English as a protest against the overbearing attitude of British subjects in China.

The weakness of the dynasty, the incredible stupidity of its advisers, the impatience of Chinese who had studied abroad with the backwardness and helplessness of their country by western standards, all contributed to spread revolutionary sentiment in provinces already honeycombed with discontent. But for those who would look toward the future, as well as the past, in China there is deepest significance in the fact that rebellion actually broke out over the issue of centralization *versus* provincial rights. Acting under foreign advice the Manchu government in 1911 floated the Hukuang railroad loan, designed to complete trunk railroads in South China and to bring them under the government-owned-and-operated system. Agitation against this interference with local self-government, coupled with the fear that foreign interests would secure an economic strangle hold through the agency of Peking, led to the first bloodshed of the rebellion. On October 9, 1911, an accidental bomb explosion in a secret revolutionary arsenal at Hankow forced the government to take repressive measures and the leaders in the conspiracy to call a nation-wide rising. Within a month fourteen provinces had declared independence of Peking and the moribund central government crumbled like a house of cards.

It would be exaggeration to say that any carefully

formulated, philosophic theory of "States' Rights" was behind the rebellion. It can legitimately be argued that in the railroad issue the policy of Peking was justified because the provincial companies then engaged in construction in the south had shown themselves wasteful and inefficient when judged either by foreign or Chinese standards. It is doubtless true that one reason for provincial opposition to the national scheme was fear that local perquisites of graft would be ended while taxation to pay interest charges to foreign investors would take their place. Nevertheless, the facts remain that the average Chinese is strongly local rather than national in his loyalties; that the progressive decadence of Manchu rule had at the time of the revolution greatly forwarded the spirit of local autonomy and the mistrust of centralized bureaucracy; and that the helpless subservience of Peking to foreign influence had rendered the capital suspect throughout all China. The implicit connection between foreign encroachments and the Chinese Revolution is not imaginary but very real. The natural tendency toward local self-government in China has been greatly strengthened by the accumulating evidence that relinquishment of sovereignty to Peking is a long step on the road of relinquishment of sovereignty to foreigners.

While the "States' Rights" issue, if one may force the parallel for sake of charity, is quite intelligible to Americans, it remains perfectly incomprehensible to most Englishmen in China. These last, viewing their politics from an imperial viewpoint and inclined to be scornful of governmental methods not modelled on their own, for this reason are generally prejudiced critics of the turmoil in China at the present time. They can see nothing in the suggestion that there may be a rough political parallelism between the distrust of central control in China and that exhibited toward our federal government

by the sovereign states in the anarchic period following the achievement of American independence. In spite of its basic importance in the problems of China, the whole idea of federal union as a desirable form of government is ignored or misunderstood by most of the English in China. "Old China hands," as the veteran Treaty Port residents like to call themselves, have characterized the British Empire to me as such a union, which is extremely inexact. Canada, Australia, and South Africa taken separately have federal forms of government; but the Empire as a whole has nothing to do with federalism, having evolved from a collection of subject colonies to something which, so far as the great Dominions go, is best defined as a close-knit League of Nations.

It follows that the English in China, almost to a man, regard the collapse of central government there as the most significant factor in the situation. To many Americans there is more meaning in the continuance of orderly local life, in all districts where war or banditry is not actually raging, in spite of the complete inability of central authority to enforce security. While one side points to war-torn areas or bandit seizures, the other will prefer to dwell on the interesting and capable government of Kwangtung Province, or to refer to the "model province" of Shansi. The experiment in Kwangtung will be discussed in some detail in Chapter VIII. In Shansi, it may be noted here, Governor Yen Hsi-shan has steadily built good roads, established schools, forwarded the mining of coal and small-scale industries, and stopped the production of opium—all without any desire or expectation of federal aid. On the contrary, his chief anxiety while I was in Peking was to repel from the district under his control disorderly soldiery masquerading as units of the "national army."

The extent of a literal anarchy in China, as opposed

to the philosophic type disposed to dispense with government as far as possible, is nevertheless not to be minimized. In the following chapter will be given a summary of the main political trends since the revolution, designed to provide that background without which understanding of contemporary policies and disorders in China is impossible.

CHAPTER VII

THE ANARCHY OF THE TUCHUNATE

Less than three months after the outbreak of the revolution of 1911, before the country as a whole was awake to the issues involved, the Imperial family in a panic delegated its authority to Marshal Yuan Shih-kai, occupying a middle position between the republicans and the dynasty. Dr. Sun Yat-sen, the idol of particularistic South China, who had long labored in behalf of the revolution, returned from Europe to be named Provisional President, but turned that office over to Yuan when the general, in February, 1912, secured the abdication of the Manchus. Characteristically Chinese was the final edict of the dynasty, with great dignity granting the establishment of the Republic and giving Marshal Yuan permission to establish it.

With his inauguration, on March 10, 1912, the revolution seemed to be ended, having run its brief five months' course with little bloodshed or material destruction outside of Hankow. Actually, the period of chaos which still continues was being ushered in. The monarchy had fallen before any other system had been even roughly prepared to replace it. China had literally drifted into a republic because the name sounded good to a handful of enthusiasts. Half a generation after its establishment there is neither President nor Legislative Assembly nor Constitution nor Electorate in China. Were it not for the strange, intangible force

of Chinese public sentiment, which is unquestionably republican and democratic, the title given to the country would be entirely grotesque.

Yuan Shih-kai was a very capable military leader, who under the patronage of the Empress Dowager had worked hard to create a modern, efficient, foreign-trained army to replace the medieval formations so pitifully defeated in the Sino-Japanese war. His value as a civilian executive was much more questionable. From the outset of his presidency, which immediately assumed the characteristics of a dictatorship, Yuan proceeded on the fallacious theory that China can be successfully governed by a military autocrat in Peking. Although the provisional Constitution prepared by the revolutionary National Assembly had strictly limited presidential powers, Yuan's centralization policy was more drastic than that of the Manchu rulers, involving a complete subserviency by the provinces which the South, in particular, was not at all inclined to give. Just because Yuan Shih-kai attempted to wipe out local autonomy as completely as Napoleon did in France, he is regarded by those who put all faith in centralized authority as the greatest man of modern China. For this same reason he is also viewed by many intelligent Chinese as the instigator of present-day militaristic troubles. Most of the war lords who now plague the country with their disreputable campaigns were Yuan's generals, each laboring under the delusion that he is big enough to assume a mantle which was oversized for their old chief.

Yuan Shih-kai's reliance on unification by force, moreover, meant subordination to foreign interests and further pledging of China's resources to secure funds. The evil device of appointing a military as well as a civil governor for each province in order to insure centraliza-

tion was a complete fiasco, for many of these Tuchuns¹ combined selfish ambitions, jealousy of their overlord, and local desire for autonomy to keep tax collections from reaching the national capital. The Japanese seizures in Shantung after the outbreak of war in Europe and Yuan's helplessness in face of the Twenty-one Demands greatly contributed to make him unpopular, particularly in the anti-federal south. Even without his abortive effort to restore the monarchy, with himself as emperor, Yuan Shih-kai would probably have been overthrown had death not stepped in to claim him in June, 1916.

Since that date, hopes entertained at the establishment of the republic have been progressively blighted. From a national viewpoint, the state of political anarchy induced is so complete that there is much justification for utter pessimism regarding the establishment of an effective system of government throughout all China. There remains, of course, the paradoxical feeling that political conditions are now so bad that they must soon take a turn for the better. But real improvement, in all probability, will come through the gradual extension and linking up of reasonably decent local government rather than through the fiat of whatever militarist happens to be in control in Peking.

In a study of such limited scope as this, it would not be possible, and would be unnecessary, to touch on more than a few of the landmarks along the downward path of orderly central government in China. The first of these milestones after Vice-President Li Yuan-hung had automatically become chief executive was the dissolution in June, 1917, of the Chinese Parliament, which had

¹ The official designation of a Provincial Military Chief has now been altered to *Tupan*, but the old name sticks. More than a new title is needed to improve the flavor of these replicas of feudal barons.

been reassembled after the death of Yuan Shih-kai. To some extent this step was taken to stifle opposition to entering the war against Germany, into which Chinese leaders were partly pushed by Wilsonian idealism, and in part entered gladly because it promised elimination of the special privileges enjoyed by one of the leading white powers on Chinese soil. But to a greater extent, dissolution of the Parliament sprang from the double realization that the people as a whole were not interested in the device, and that it would be an inconvenient check to the policies of the northern war lords who aimed to perpetuate Yuan Shih-kai's autocratic rule. There were other hand-picked parliaments in Peking during ensuing years and the one dissolved in 1917 was reassembled there in 1922, distinguishing itself thereafter by accepting several million dollars in bribes to elect Tsao Kun to the presidency in the following year. Since that time the central legislative body has gradually faded from the picture of Chinese political life. Military leaders find it better business to avoid bribery and spend the money on building armies with which they can put their nominees in office without any consideration of the parliamentary will.

Collapse of the attempt to institute parliamentary government did not, however, mean that the monarchy could be re-established. An effort to reinstate the Manchu Emperor was made immediately after the dissolution of the Legislature in 1917, but was blocked by Marshal Tuan Chi-jui, outstanding leader of the pro-Japanese Anfu party.¹ This second failure in monarchical restoration confirms other evidence that republicanism, no matter how chaotic in expression, has come

¹ So-called because most of its original leaders came from Anhwei and Fukien Provinces. It was always more of a political club than a party, having no central executive and no membership outside those instrumental in national politics.

to stay in China. Neither the new dynasty desired by Yuan Shih-kai, nor the return of the Manchus sought in 1917, aroused more than a passing flicker of popular interest in their favor.

Tuan Chi-jui had been Prime Minister until President Li Yuang-hung's hesitation about declaring war on Germany caused him to resign. After the abortive monarchist attempt, in which the President was said to be implicated, Tuan resumed the Premiership and assumed complete control of government, thus deepening the cleavage with the south, to which the intensive centralization and unification by force policy of the Anfu party was deeply objectionable. As a result Sun Yat-sen, Tang Shao-yi, and Wu Ting-fang, the latter memorable among other things for his brilliant work as Chinese Minister at Washington in 1907, had formed a completely independent republican government at Canton. This government had ample vicissitudes of its own, which need not be examined here, but it is important as the lineal predecessor of the present Russian-influenced régime in Kwangtung Province, and as an example of the strongly separatist tendency in South China which has in recent years been a constant reaction to attempted dictatorship from Peking.

In North China, Tuan Chi-jui, a man of generally acknowledged personal honesty and courage, was able to maintain superficial calm by skilfully placating the various Tuchuns. Finances to run the government were forthcoming out of the series of Japanese loans,¹ nominally contracted on the pretext of enabling China to participate actively in the war with Germany. Public hostility to these borrowings, led by student organizations, coincided with the trend in the south to weaken Anfu power. Then, in 1920, Tuan made the mistake

¹ See pp. 5-6.

of supporting a notoriously corrupt subordinate¹ against the wishes of Marshal Wu Pei-fu. This Central China war lord, with the active assistance of Chang Tso-lin, the Tuchun of the Three Eastern Provinces (Manchuria), promptly scattered the Anfu leaders by military force, thus inaugurating the series of civil wars which has lasted almost without interruption down to the present time.

With the upsetting of the uneasy balance maintained in Peking by Tuan Chi-jui, friction soon developed between the two leading war lords, Wu and Chang. In 1922, the Manchurian leader announced his intention of suppressing Wu, but instead was defeated by the latter, ably assisted by Feng Yu-hsiang, the famous "Christian General," then beginning to become prominent as a skillful divisional commander and Tuchun of Shensi Province. Feng remained the military power behind the Peking government, now too nebulous to merit naming its shifting puppet heads, while Chang withdrew to Manchuria and proclaimed its independence. Outer Mongolia, in the meantime, had under Soviet influence broken its nominal allegiance to Peking, and was then, as now, to be regarded as a republic allied with the Russian union rather than as a Chinese province.

While Feng occupied Peking and trained the army which was later to become famous as the Kuominchun, Wu Pei-fu, his superior, sought to consolidate the military position throughout China proper. It was the aim of Marshal Wu, the directing head of the so-called Chihli military party,² to place his patron, General Tsao Kun, in the presidency, and to unify China by force. Through

¹ Hsu Shu-tseng, generally known as "Little Hsu." To almost universal relief, he was assassinated near Peking, Dec. 29, 1925.

² The other principal military party is the Fengtien party, headed by Chang Tso-lin. Both names are arbitrary, chosen from Provinces. Chihli Province contains Peking. Fengtien Province contains Mukden.

the parliamentary bribery referred to on page 63 the first objective was achieved. The military unification plan failed like all its predecessors and successors patterned on that line. This in spite of the fact that open discord in South China had resulted in the temporary overthrow of Sun Yat-sen, enabling Chihli influence to be considerably extended south of the Yangtze River.

The story of Wu Pei-fu's collapse in 1924 is important, because it shows how unnatural is the recent *mariage de convenance* between him and Chang Tso-lin, old enemies who have been brought together by a mutual dislike of Feng Yu-hsiang and the encroachments of Soviet Russia which the Christian General has tolerated, if not welcomed. It is hard to see permanence in an alliance based on such negative reasons, and it is quite impossible to see any real patriotism in the anti-Russian attitude of Chang, deeply distrusted throughout China because of his years of cooperation with Japan.

During 1924, an obstacle to Wu's consolidation campaign developed in the possession of the native city of Shanghai, metropolis of Kiangsu Province, by the military governor of Chekiang, who found possession of the mouth of the Yangtze valuable because of the revenue derivable from opium smuggling. In September, 1924, the Tuchun of Kiangsu, supported by Wu, moved to recover Shanghai, and occupied it after a brief campaign. Wu and Chang had been steadily drifting in the direction of war, the former through his enforcement of centralization, the latter by reason of his insistence on Manchurian independence. With unofficial Japanese support, the assistance of Czarist Russian officers, and the aid of a British military adventurer (General Sutton), Chang Tso-lin had built up a huge armament of trench mortars, machine guns, and mobile artillery, supplemented with bombing and scouting airplanes and other thoroughly modern war material. Still smarting



A SOLDIER OF THE KUOMINCHUN

Regarded by foreign military observers as the equal of any Occidental troops in discipline and courage.



THE INTERNATIONAL TRAIN

Not Treaty Clauses, but white paint and a liberal display of flags are relied upon to keep communications open to Peking in wartime.

under his defeat by Wu two years previous, the Manchurian war lord seized the fighting around Shanghai as pretext to move south on Peking. The Chihli leader welcomed the gage of battle, and poured division after division of his troops up to the battle ground at Shan-haikwan, the narrow seacoast pass where the Great Wall of China drops from impassable mountains to the Gulf of Pechihli on the Yellow Sea.

At this crucial moment in the military situation came the famous defection of the Christian general, whose well-trained army of 30,000 men held the line south of Jehol and was regarded by Wu Pei-fu as his left wing. It is overstrong, considering the *sauve qui peut* attitude of all Chinese militarists, to define Feng's action as "treachery" toward Wu Pei-fu. The whole story of what occurred prior to the fateful day of October 23, 1924, has not yet been revealed, but it is certain that Marshal Feng decided, with probably as much sincerity as human beings generally show in times of crisis, that the civil war was following senseless lines certain only to impoverish the country further and strengthen Japanese penetration in Manchuria. So on that day Feng's army ceased to be subordinate to Wu Pei-fu and became the Kuominchun—the "People's National Army" of China, pledged not to individual ambitions but to national welfare, the bulk of it composed not of drafted coolies, but of patriotic volunteers who marched into Peking singing Christian hymns and, strangest anomaly of all in modern Chinese warfare, took nothing for which full payment was not made. A few days later Wu Pei-fu, furious and helpless, but too courageous to follow the customary Chinese practice of flying to a foreign concession in time of trouble, retreated openly to his base outside Hankow and there began to plan for the revenge which he took in the spring of 1926.

The Kuominchun—a modern Chinese counterpart of Cromwell's Ironsides, imbued with an Old Testament religious fervor, disciplined like the Prussian guard, loyal to their commander and loyal to China—remained in power in Peking for eighteen months, from October, 1924, to April, 1926. During that period there was perfect order and safety for foreigners of every nation both in the capital and in adjacent territories controlled by Marshal Feng. Living far outside the Legation Quarter in Peking during January of 1926, I no more hesitated to wander about alone at night than if it had been an American city. With a large sum of money in my pocket, a friend and myself, both of course unarmed, traveled from the Great Wall to Peking in a freight car alone with soldiers of the Kuominchun to experience nothing worse than courteous and friendly interest. Every foreigner in the territory controlled by the Christian General during this period would, if honest, testify to hundreds of evidences of like security. Why, then, was there such assiduous foreign propaganda to spread the downright slander about Feng Yu-hsiang which has been popularized abroad?

The answer is not difficult to find. The Christian General had not been a month in power before he showed that his policy was diametrically different to that of the generality of war lords. His aim was not to weaken China for personal aggrandizement, but to strengthen his country by calling a truce to hostilities. Instead of encouraging his soldiers to have loot and rapine as their chief ambition he sent them from the drill ground to road building and afforestation projects, filling their spare time with lectures on the contemporary history of China and general instruction along adult education lines. The morale built up among the Kuominchun by these methods was truly marvelous. Several times I offered private soldiers in that army gratuities, trivial

yet equivalent to a month of their meagre pay, for services rendered. Always the tips were refused with courteous dignity, even though there was none to over-see the transaction.

This alone, though disconcerting to those who claim that China is sodden with corruption and cannot be regenerated by native effort, would not account for the vicious foreign hostility to Feng Yu-hsiang, in which the English in China took the lead. The real cause for this enmity was Feng's efforts to "deepen the revolution" and thereby forward its original aim of ridding China of the encroachments on her sovereignty. This, coupled with the fact that he was anxious to decentralize rather than strengthen the central government, was the Christian General's unforgivable sin.

The "deepening" of the revolution took several forms, of which the most superficial was the expulsion from the Forbidden City in Peking of Hsuan Tung, last of the Manchu emperors, who by the abdication agreements had been allowed to retain the shadow of monarchical state within the imperial palaces. Plain Henry P'u Yi, as this youth now prefers to be known, took refuge in the foreign concession at Tientsin, where his proverbial "Chinaman's chance" at restoration is somewhat strengthened by the inability of presidents and premiers to retain office. This action by the Christian General, however, aroused little or no popular opposition, in contrast to the disappearance of many of the palace treasures which accompanied it, a stain on Feng's record perhaps comparable with that of the Teapot Dome scandal during the Harding administration.

Of far greater importance was the tacit alliance established by Marshal Feng between the Kuominchun, or People's National Army, and the Kuomintang, or People's National Party, the oldest and perhaps the only effective political organization in China. The Kuomin-

tang, of which we shall have more to say in the next chapter, was in large part the creation of Dr. Sun Yat-sen, and its leaders were the effective force behind the revolution. It has two wings, practically uniform in their domestic platform, which stands for Constitutionalism, abolition of the military governor system, suppression of the war lords, decentralization of government, and provincial autonomy. In foreign policy the left wing favors summary abolition of the unequal treaties and close cooperation with Russia, the right wing being more conservative on both these issues. Always strongest in Canton, the Kuomintang has branches throughout all China, and among Chinese abroad, its total membership at the present time being half a million by conservative estimate. A very large proportion of university students, whose active participation in politics has created both interest and resentment abroad, belong to it. The Kuomintang is not communistic, there being a separate numerically negligible party of that flavor, but the orientation of the left wing in recent years has been distinctly pro-Russian. The real word to describe the Kuomintang is "nationalistic." That in itself means "Bolshevistic" to many foreigners in China.

To the impartial observer it will seem perfectly proper, if indeed laudable is not an equally permissible word, that Feng cooperated with the Kuomintang, even to the extent of placarding his barracks with such slogans as the one reading: "The People Subjected to Foreign Imperialism Are No Better than Homeless Dogs." Nor can his relations with Soviet Russia be called discreditable. When he bought munitions from that country, it was primarily because he did not possess well-equipped arsenals like Chang and Wu, and was cut off from other foreign sources of supply open to them.

He did not, like the other war lords, actively interfere with the conduct of civil government in Peking. Though

he imprisoned Tsao Kun, Wu's nominee who had been "elected" President by flagrant corruption, the day after his *coup d'etat*, he maintained Tuan Chi-jui of the Anfu party as Premier and "Provisional Chief Executive." Absolutely unprecedented in Chinese post-revolutionary history is the fact that the first cabinet formed after Feng's seizure of Peking did not contain a single minister nominated by him. Early in 1925, the impossible feat of a Reorganization Conference, which would bring both Sun Yat-sen and Chang Tso-lin to the support of Tuan's government, was attempted; but Dr. Sun, whose closing years had seen a decided drift toward extreme radicalism, died at Peking during its sessions, and Chang Tso-lin was glad of the excuse to withdraw his delegates from a conference which sought disarmament of the warring factions as one of its aims.

The Shanghai shootings of May 30, 1925, naturally strengthened the influence of the Christian General, as the outstanding nationalistic leader, and in December of that year occurred a dramatic episode which, in the opinion of many competent to judge, almost succeeded in stabilizing the politics of China along the lines worked for so arduously by the Kuomintang. General Kuo Sung-ling, one of the Manchurian war lord's chief subordinates, revolted against Chang in behalf of the nationalistic program of the Peking government. Wu Pei-fu, stranded without money or men in central China, was powerless to intervene, and all Feng had to do was to go to the aid of Kuo in Manchuria in order to finish off Chang Tso-lin, perhaps the most disruptive influence in China, for good and all. In occupation of Tientsin, controlling the only railroad from Peking to Mukden, was General Li Ching-lin, an ambitious ex-Tuchun who had served Chang well in the past and had now no intention of seeing Feng upset a balance of power which well suited his own schemes.

For a few days Feng hesitated, knowing that his enemies would hail intervention in behalf of Kuo as evidence that all of his work for peace and disarmament was insincere. The delay was fatal. Not merely was Chang Tso-lin able to rally, encouraged by the Japanese announcement that civil war would not be permitted along the South Manchurian Railway, but Li Ching-lin was able to defend Tientsin with a most modern system of entrenchments in which the hand of foreign military advisers was apparent. Then, in one of the bloodiest battles of modern China, the Kuominchun showed its mettle. On Christmas Eve of 1925, after several days' preliminary fighting, Feng's first army, though far deficient to that of Li in artillery, bombs, and ammunition, stormed the defences of Tientsin with the bayonet. It was an exhibition of disciplined courage which drew gasps of admiration from every foreign military observer in Peking, but it was fruitless. On the very day that Tientsin fell to the National Army, Kuo Sung-ling was defeated, captured, and beheaded three hundred miles to the north. Deeply upset by a slaughter which on both sides cost some ten thousand casualties—the dead were thick on the battlefield when I passed over it on Christmas Day—Feng announced his retirement from public life. After a heroic effort at regeneration, the way was open for the next move in Chinese disintegration.

A month after the battle of Tientsin, I interviewed Marshal Wu Pei-fu at his Hankow headquarters, and was told by him of his intention to overthrow the Kuominchun because "Soviet influence flourishes wherever its troops are established." Regardless of the portion of truth in that asseveration—which might just as logically have induced him to attack Chang Tso-lin because Japanese influence flourishes wherever his troops are established—the famous Marshal did not give me the

impression of being anything more than a courageous and efficient soldier. With famine and banditry rife in the area of China under his control, his entire mind was concentrated on the old myth of unifying China by force. "Disarmament," Wu told me, "is too expensive to be considered now. It will come when a legitimate central government is established in Peking." The trouble is that what is legitimate to Marshal Wu is illegitimate to half his fellow countrymen, and vice versa.

Financed by Chang Tso-lin, Marshal Wu moved his army north from Hankow soon after my talk with him. Simultaneously, Chang marched south from Manchuria, while his allies, Li Ching-lin and Chang Tsung-chang, advanced west from bandit-ridden Shantung. Against this circular attack the Kuominchun, lacking Feng's leadership, greatly outnumbered, and short of munitions, nevertheless put up a heroic resistance. After a number of severe battles, in several of which the unnatural allies were defeated, the Kuominchun withdrew in good order, first to Nankou Pass, northwest of Peking, and then to the Mongolian border, where it still remains intact. The taking of the capital at the end of April, 1926, was marked by grave looting and other excesses, particularly, it is reported, on the part of Chang Tso-lin's brigade of Czarist Russians. Four months after the capture of Peking by Wu and Chang, there was still no civil government functioning there, Dr. W. W. Yen, one of the ablest of the neutral Chinese statesmen, having found it impossible to retain the premiership because of conditions arising from the scarcely suppressed rivalry between Wu and Chang.

So rests the thoroughly depressing political situation at Peking at the time of writing (August, 1926). Centralization by force is again being attempted, but this time by rival militarists who have in the past been bitter

enemies. As a military hegemony in China has always failed before, so, it may be confidently predicted, it will fail again. Feng, product of the simple-minded peasant class, has retired to Moscow, where his past tolerance toward Soviet Russia is likely to be converted to a much more active sympathy. He will not stay in Russia. The Kuominchun awaits his return, while the collapse of Wu Pei-fu before the northern march of the Canton armies shows how hollow are that general's hopes of restoring order by a victorious war on "radicalism."

Meantime, obscured by the confusing political kaleidoscope at Peking, important tendencies in China are steadily taking permanent shape. Having discussed the failure of centralization, let us consider the possibilities of provincial autonomy, as illustrated by the work of the Canton government. The trip from Peking to Canton is, for the reader, a matter of the turning of a page. Let us remember always that the latter city lies two thousand miles due south of China's nominal capital, and that the traveler is lucky, nowadays, if he can make the journey in less than two full weeks.

CHAPTER VIII

KWANGTUNG, WHERE CHINESE GOVERN

While much of northern and central China has been wasting its substance in meaningless civil war, and the banditry encouraged thereby, a definite and rational philosophy of government has been spreading its influence from Canton throughout southern China. There has been bloodshed, loot, and disorder in full and heaping measure among these southern provinces but, in contradistinction to the north, one faction has preserved real continuity and a truly patriotic aim. That faction is the Kuomintang, or People's National party. Its aim is the establishment of a really sovereign Republic of China, formed by a Federal grouping of semi-autonomous provinces.

Canton, with an estimated population of 1,400,000, is a larger and commercially much more important metropolis than Peking, just as Kwangtung Province,¹ in the heart of which the southern capital lies, is much richer and more fertile than Chihli. In Kwangtung one-tenth of China's 400,000,000 inhabitants are concentrated, and there the Kuomintang has nearly half of its 500,000 members and a large proportion of the peasant "sympathizers" which this well-organized radical movement is seeking to win over.

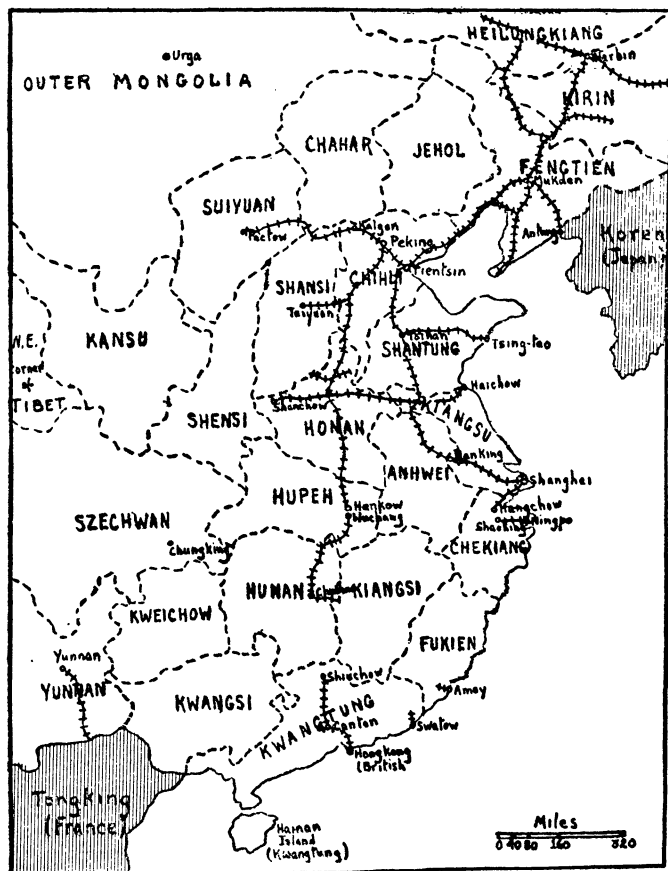
In the brief period since June, 1925, when the Kuomintang, heir to Sun Yat-sen's life work, secured

¹ Not to be confused with Kwangtung, the Japanese leased territory on the Laiotung Peninsula in South Manchuria.

unchallenged control of Canton, its gains have been remarkable. During that time, the entire province of Kwangtung has been brought under the strong rule of the provincial capital, and Kuomintang influence extended into the four adjacent provinces of Kwangsi, Hunan, Kiangsi, and Fukien, containing, with Kwangtung, a population as numerous as that of the United States. Truly, the fighting throughout China, which is practically all we hear about in the fragmentary news dispatches from that country, may give a very incomplete and misleading impression of what is significant to the Chinese as a people. We little realize that the last twelve-month in Canton has seen the evolution of a very capable civil government which at present controls the military arm in a way unknown elsewhere in China, and which runs its finances on an efficient budget system. Most of the information about Canton abroad has come through the neighboring British colony of Hongkong, against which for the same twelve-month period there has been maintained a ruinous boycott hardly conducive to a temperate opinion of its sponsors.

To sift out the truth about Canton between the absolutely conflicting statements which fill the air there and in Hongkong is no easy matter. But one comprehensive statement may be made with absolute certainty. The present Canton government is well grounded, growing in strength, in fact if not in name completely independent of Peking, assured of whole-hearted support by Soviet Russia, and completely contemptuous of foreign treaty rights. If it were not so powerful it would not be so well liked, nor so much hated.

The Canton government may legitimately be called Bolshevistic in the loose sense of the word. It has welcomed revolutionary Russian advisers and military instructors. It has sanctioned uncompensated seizures of private property and established government monop-



PROVINCES AND RAILROADS OF CHINA

lies by fiat. It rules by a frank and open dictatorship of a minority party which glorifies the manual worker in proper soapbox spirit. It arms striking coolies with modern rifles and takes good care to see that disgruntled merchants shall not be similarly protected. Without the slightest hesitation it interferes with private trade and commerce, Chinese or foreign, for political ends. And it is rather more than neutral in its attitude toward anti-foreign, anti-capitalist, and anti-Christian agitation.

Nevertheless, the Canton government is not Communistic. Nor can it be said to have severed all constitutional relationships with Peking, with which city there is as yet no rail connection. The five-bar flag of the Chinese Republic still flies above the Customs Building in Canton, in contrast to the sunburst banner of the Kuomintang which predominates everywhere else in Canton, and customs revenues, or a part of them, still accrue to the credit of the National government. That this is so is partly due to the care taken by Michael Borodin, chief of the Russian Advisory Commission, not to draw too much foreign attention to what is happening in Canton, and partly due to the tact, good judgment, and firmness exercised by Hayley Bell, an Englishman who is Commissioner of Customs there, in handling an extremely difficult, delicate, and (as an assault on him has shown) dangerous job. Customs revenues are also collected for Peking, against strong local opposition, at Swatow and other Kwangtung ports, though authority in this sphere is the only point on which Kwangtung acknowledges the theoretical Federal sovereignty.

As long as they do not attempt, for the duration of the boycott, to trade in British goods or with Hongkong, Chinese merchants in Canton are free to carry on their business without any serious restrictions. There are

heavy taxes, levied, as T. V. Soong, the youthful Harvard graduate who is Minister of Finance, thinks necessary. But as there are no illegal military exactions, as in so many parts of China, and as the national characteristic of "squeeze," or petty official graft, has been greatly reduced, little grumbling has occurred on this score. Indeed, the Canton Chamber of Commerce and other business organizations have more than once financed adequately secured municipal loans.

The Canton government has declared an oil monopoly, seemingly designed to favor Russian oil, which is coming in from Vladivostok and even the Black Sea in increasing quantities. An undue proportion of revenue goes to the Russian-directed military academy at Whampoa and to the labor unions in one form or another. The avowed tendency of these last to dictate what wages shall be paid, what contracts shall be let, who shall be employed, and similar industrial matters is not to be ignored. But it is necessary to remember that these symptoms reflect tactics of the local Chinese Communist party, which is now more hostile to than allied with the Kuomintang. The students in Canton, it is interesting to notice, are coming out in active opposition to native Communism. Recently those at Canton Christian College voted, 484 to 32, to rid themselves of three Communist members of their body, practically forcing American members of the faculty to approve the expulsion, in which the Chinese teachers concurred. Canton, in other words, has lived so close to Communism that a natural reaction first to its methods and then to its doctrines has set in. This has been demonstrated by the withdrawal from the city of half of the twoscore Russian agents who were operating there during my visit, in February, 1926. They had made the mistake, customary with all foreign advisers in China, of regarding themselves as the direc-

tors rather than the employees of those who had taken them into service.

The outstanding question regarding Russian influence in Canton is the objective behind the painstaking effort which the Soviet Government has been making at this central point of southern China. Like every other policy to which Moscow has committed itself since 1917, it is probable that a dual motive enters. Comrade Borodin was invited to Canton by Sun Yat-sen in 1923, and he and his staff have as much right to be there as technical advisers as the Americans, British, Japanese, and representatives of other nationalities who fill similar posts in Peking. I do not think it would be hard to prove that the Russian staff in Canton has been just as interested in building a stable government as any of the foreigners in service under the administration at Peking. Judging from results alone, the Russians have been easily the more efficient of the two groups.

On the other hand, it is not to be doubted that the Russians in Canton are also there as Communists, interested in stirring the Chinese to active hostility against capitalistic imperialism. For this purpose Canton is an excellent base. The map on page 139 will indicate the strategic importance of Kwangtung Province in the admitted Russian scheme of spreading unrest among subject peoples.

From the great island of Hainan, brought under the control of the Canton government early in 1926, after a campaign planned by Admiral Semenoff, its Bolshevik naval adviser, the long coast of French Indo-China is less than a day's sail distant. Extension of Kuomintang control to Hainan coincided with a tightening of police regulations in this French territory. Just beyond Indo-China lies Burmah, another former Chinese vassal state, annexed by Great Britain in 1886. Within easy reach of the Kwangtung coast to the southeast and to the east

lie respectively the Philippines and Formosa, important dependencies of the United States and of Japan. From Kwangtung, in other words, it should theoretically be possible to foment trouble for every one of the four imperialistic powers which in the past have demonstrated readiness to take arms against Soviet Russia. Far-fetched as this sketch of possibilities behind the Russian influence in Canton may seem, there is sufficient circumstantial evidence about it to justify serious consideration. But the impression must not be given that the vigor and enterprise which dominate Canton today are dependent upon Russian influence. There is no doubting either the patriotism, the sincerity, or the ability of the local Chinese leaders who are building good government in Kwangtung as an initial step towards the regeneration of their country and the complete abolition of one-sided foreign privilege.

The Nationalist government of Canton, which is in substance a board of commissioners with dictatorial powers subject only to the National Executive of the Kuomintang, was established on July 1, 1925. Its great aim, as announced at the time, was the unification of Kwangtung Province, then controlled by half a dozen virtually independent generals and overrun by a horde of bandits and river and coastal pirates. In the short space of seven months political unification was accomplished. Plenty of banditry and piracy remain, but there is no doubt that the military can gradually stamp this out. It is characteristic of the administration that action to this end is taken slowly, on the theory that the only way to solve the bandit problem permanently is to establish first a normal civil life into which men driven to robbery by social chaos can be reincorporated.

Very remarkable for China, and a great personal tribute to General Chiang Kai-shek, the youthful military genius of the provincial army, is the fact that the army

is held in complete control by the civil authorities at Canton. The troops are well officered and disciplined, partly due to the ceaseless efforts of the Russian drill masters at Whampoa Military Academy. The equipment is good, and the people of Canton no longer bother to look up as the cadet aviators from Whampoa fly bombing and scout airplanes over the congested city streets. From sources hostile to the government comes the admission that there was little or no plundering during the military unification of the province.

Side by side with the re-establishment of order, financial reform has gone steadily and constructively forward. Before the Kuomintang asserted authority, a great part of the revenues of Kwangtung Province were being seized for selfish purposes by any military commander or official who could get hold of them. Now, taxes are collected by responsible officials and turned into the provincial treasury under comparatively strict accounting methods. There is no more issuance of the debased currency which was helping to make economic conditions in Kwangtung chaotic and the Treasury has built up a large cash reserve to insure stability for domestic note issues. A budget system is installed, and without increasing taxes the government was able, through official honesty and efficient collections, to quadruple its revenue within eight months of taking control.

It is not so easy to state specifically what is being accomplished in the important field of judicial reform. C. C. Wu, son of the famous Wu Ting-fang, now Mayor of Canton and an influential member of the government's inner circle, has directed a commission working on this task, having his experience as a qualified member of the London Bar to serve him in good stead. The system of penology in Canton has been brought more in accord with western ideas than is the case in most large provincial Chinese cities. Clearly the

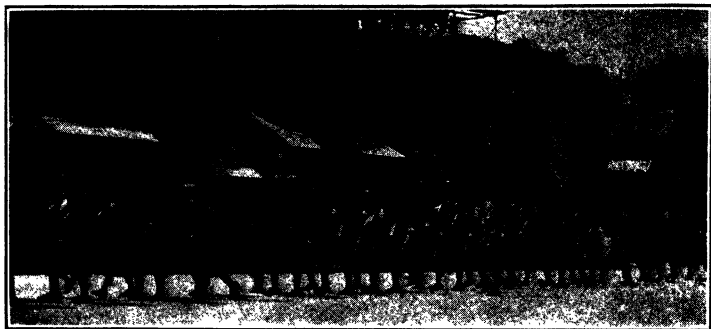
Kuomintang government is quite as anxious as that of Peking to do its part in removing all valid excuse for continuation of extraterritorial jurisdiction. It has also pledged its word to abolish *likin*, the inland transit tax, which is supposed to be terminated throughout China coincident with the promulgation of complete tariff autonomy, tentatively scheduled for January 1, 1929.

Vessels of more than twelve-foot draft cannot safely berth in Canton harbor, so the government is endeavoring to develop the port of Whampoa, seven miles down the river towards Hongkong, which can now be reached by ships drawing up to twenty feet. Under the boycott no British ships, nor those of any nationality which have touched Hongkong en route, are allowed at Whampoa. Nevertheless, a steady stream of ocean-going cargo steamers now plies to and from the port of Canton. During the early months of 1926, an average of more than ten steamers a week came up to Canton from Shanghai without stopping at Hongkong, an omission almost unknown in the old days. In addition, Canton's direct trade with foreign countries, in foreign bottoms, is increasing. Japanese shipping greatly predominates, with Russian, Norwegian, and German tonnage competing for second place. The American merchant marine is also represented, the Dollar Line conducting a regular freight service between Whampoa and Pacific Coast ports. During 1925, the boycott reacted to cause a 20 per cent decline in the foreign trade of Canton, but it is claimed that the present year will show recovery in the export and import statistics.

The scheme for the improvement of Whampoa harbor to make it a permanent rival of Hongkong calls for an expenditure of some \$15,000,000. Only a trivial part of the proposed construction work has so far been attempted, lack of funds preventing. This instance has applicability to many local schemes. There is much

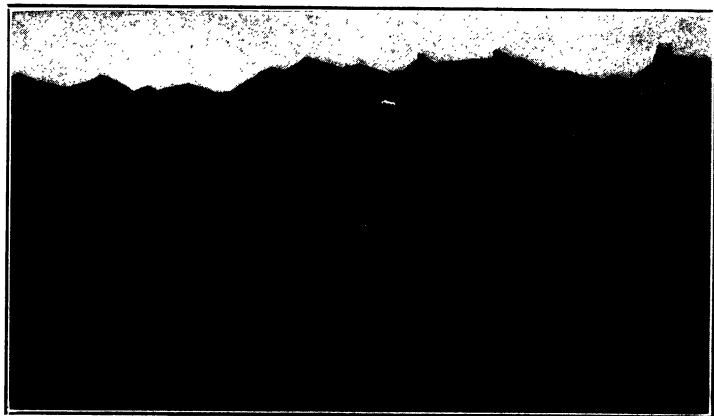
frothy talk in Canton about what the government is going to do in the way of port improvement, industrial development, and general betterment of commercial and agricultural organization. Numberless committees have been appointed, grandiloquent plans drafted, and all sorts of resolutions passed and given as much publicity as possible. In fact, it will take many months before economic ambitions can evolve from the blueprint stage, for one good reason because the authorities have been spending so large a proportion of their revenues on improving the army and enforcing the boycott against Hongkong. There is much promise of, and little money for, social and economic improvements. Months of delay were allowed to pass before the completion of so basic a project as a good road from Canton to Whampoa. And, except for the military and foreign-supported schools, less is being done for education than in other provinces which do not advertise so freely about their good intentions.

Yet, in spite of all shortcomings, it remains apparent that the provincial government of Kwangtung is the most capable that any part of South China has seen since the 1911 Revolution; that it is following a line of development in general suited to Chinese temperament, conditions, and traditions; and that its actual accomplishments give promise of further successes as the foundations settle into place. For a time the continuation of the experiment was threatened by the success of the Wu Pei-fu and Chang Tso-lin alliance in the north, but geographical considerations, aside from other factors, will probably preserve the Canton government from military overthrow now that it has won its firm establishment. Troops adhering to Marshal Wu, indeed, have shown utter inferiority when faced by Kwangtung forces. If Canton can solve three problems, each calling for a high degree of statecraft, its notable con-



CANTON'S ARMY

A machine-gun detachment departing for action against the war-lords of North China.



OLDER THAN CHRISTIANITY

The Great Wall of China climbing the mountains beyond Nankou Pass. A camel caravan laden with munitions for the Kuominchun is passing through the gate in the lower right-hand corner.



tribution to the regeneration of China as a whole will probably be permanent.

The first of these is the gradual elimination of a Russian influence which has been so pronounced as to make Chinese protests against other "imperialisms" sound rather silly. Most of the real leaders in Canton recognize this, and papers of dismissal are being gradually prepared for the Soviet advisers who still remain. But the existence of a general foreign hostility as well as the real services rendered by Borodin to constructive development makes it difficult to dispense altogether with Soviet support.

The second problem is government control of the Strike Committee, in charge of the Hongkong boycott. This committee operates independently of the government. It maintains a picket organization of some 30,000 men who are supported by the taxpayers, terrorize respectable Chinese merchants, and line their pockets with surreptitious "squeeze." As recently as June 27, 1926, five Chinese seeking to travel from Canton to Hongkong were shot dead by these organized ruffians. There is little doubt, however, that the government has the upper hand in the matter and that the negotiations for boycott termination will be carried through successfully. Certainly the great majority of Cantonese are anxious to see normal trade relations with Hongkong resumed.

The third problem is the decision as to whether Kwangtung shall be an efficient provincial government under loose federal control; whether it shall take the lead in forming the separate Republic of South China which has so often been discussed; or whether through the agency of the Kuomintang it shall take the grave risk of trying to gain control of Peking by military operations. The first of these possibilities was the one indorsed until Wu Pei-fu went on his recent rampage. It

should be clear from what has been written that the best hope of extending the constructive nationalism of Kwangtung throughout China lies in providing an inspiration for other provinces rather than in subjecting them to a conquering southern army.

CHAPTER IX

SHANGHAI

We have examined the background of the situation at Peking, where fifteen years of effort to establish a strong central government by military force have proved utterly futile and vicious. We have critically studied the government of Kwangtung, an outstanding example of what the Chinese can accomplish when they decide to approach the problem of regeneration from a local rather than a national standpoint. Logically, the next step in gaining a reasonable conception of Chinese problems is to journey 850 miles up the China coast from Canton to Shanghai, where foreign resistance to native grievances is concentrated and crystallized.

My own first visit to Shanghai was by way of the broad Yangtze River from the interior. Much more than if arrival is by sea, one obtains in this manner a correct impression of the difference between Shanghai and China proper. The enormous volume of foreign shipping in the harbor, the majestic office buildings, banks, and clubs along the Bund, the Occidental nature of the foreign concessions with their three miles of river frontage and 8,100 acres of area—all combine to show what foreign enterprise can do in China when a free hand is given, or assumed.

In harmonizing with the life of the country in which it is situated, Shanghai is no more Chinese than Chinatown in San Francisco is American. Nor is the difference merely one of material surroundings. The 5,879 British

and 1,942 Americans listed in Shanghai by the 1925 census live for the most part completely isolated mental lives. There are hundreds of these expatriates who would not think of having any social relations with Chinese, who have lived in Shanghai from five to twenty years without attempting to learn the language, who never set foot within the encircling Chinese cities, with their population of some three million people of the yellow race. Yet in spite of his incredible isolation from and ignorance of the vital currents in Chinese life, the average white resident of the Shanghai concessions considers himself an authority on China and the Chinese and most bitterly resents any opinion favoring Chinese aspirations from, say, mission workers who have spent their lives in acquiring understanding of the real China. The situation is made worse by the fact that many of the Anglo-Saxons in Shanghai are men who would never have forged ahead at home, and who exhibit their "inferiority complex" by the most brazen insults and affronts to natives of the country which provides them with handsome livings.

There are other causes than the effrontery prevalent among Shanghai whites, and the pronounced dissipation and mental shallowness of foreign life there, which have made the city, despite its modern sanitation system, as much a plague spot as any cholera-infected native district. If we summarize, step by step, the political aggression in China which Shanghai has for three-quarters of a century taken into its own hands, we will come to realize that the fatal outbreak there on May 30, 1925, was an entirely natural occurrence.

In 1842 the Treaty of Nanking, following the so-called "Opium War" between Great Britain and China, forced the Manchu government to recognize that "British subjects shall be allowed to reside for the purpose of carrying on their mercantile pursuits, without violation or

restraint," at Canton, Amoy, Fuchow, Ningpo, and Shanghai. The same agreement gave the British government the right to appoint consular officers "to be the medium of communication between the Chinese authorities and the said merchants." Two years later the United States inaugurated our fairly consistent policy of getting as much out of China as Great Britain, while letting that nation bear the onus for methods employed. Caleb Cushing was sent by President Tyler as Minister to China with a letter to the Emperor which is a classic of American diplomatic literature. It began: "I hope your health is good. China is a great empire, extending over a great part of the world. The Chinese are numerous. You have millions and millions of subjects. The twenty-six United States are as large as China, though our people are not as numerous."¹ This schoolboy note is still a source of somewhat bitter amusement to the Chinese, but it obtained its end. In 1844, the United States, followed by France and other European nations, obtained treaty rights similar to the British and began concerted development of Shanghai, the most central and commercially promising of the Treaty Ports. In 1863, the British and American concessions were amalgamated, forming the basis for the present International Settlement, from which only France, with her separate large concession in Shanghai, has held aloof.

From these small and temperate beginnings, extorted from a justifiably dubious Peking government at the cannon's mouth, has developed the present anomalous situation, more pronounced than that at any other Treaty Port. For Shanghai, though nominally still Chinese territory, is in fact today a completely self-governing foreign community, resolutely opposed to giving

¹ Quoted by DR. H. H. GOWEN, in "Asia, A Short History." Dr. Gowen notes that "the letter has been attributed to Daniel Webster."

native leaders even a share of control, unless forced to do so, and with an attitude towards the diplomatic corps in Peking almost as contemptuous as that shown towards the Republic of China.

The steps by which Shanghai has been made into a virtual "Free City," unsupervised by the League of Nations or any other body outside its confines, have been taken gradually. It must also be said that these steps have been coincident with a material development which is truly remarkable when one visualizes what a few thousand foreigners have brought about in three-quarters of a century. As early as 1854 a municipal council was established by the white residents, without consulting Peking on whether the treaty rights made such a step legal, and eight years later was broached the first project for the complete independence of Shanghai, under the joint protection of Great Britain, the United States, France, and Russia. The diplomatic authorities vetoed the idea. But two succeeding generations of foreign business men, a fair number of them descendants of the original settlers, have now achieved much of the objective in everything but legal sanction.

In space available, the way it has been done can be chronicled only in summary form.¹ That controversial judicial body, the Shanghai Mixed Court, was launched in 1864. In 1869 the municipal government was strengthened by new regulations, and Chinese were excluded from participation therein. This step was presented to the Chinese government as a *fait accompli*, providing a useful precedent for further encroachments.

In 1881 further revision of the original "Land Regulations" gave the municipal council power to compel the

¹ The whole story is related in A. M. KOTENEV's excellent work on "Shanghai, Its Mixed Court and Municipal Council," the chief defect of which is its special pleading in behalf of foreign encroachments.

surrender of land for road construction, conferred on the police arbitrary authority in the matter of arrest and search without warrant, and organized the famous Shanghai Volunteer Corps, a formidable little army with a present strength of about 1,700 men. Two years after these regulations were adopted, they were, as a sort of afterthought, submitted to the diplomatic corps at Peking for approval. That plastic body, seeing how far the Shanghai municipal council was departing from the letter and spirit of the treaties, stiffened its attitude and forced modifications reasserting consular authority to some extent.

But foreign Shanghai generally knows how to make its will effective over the doubts of the legations. Measure after measure was quietly adopted tending to give the city the status of *de facto* independence. In 1900 it was settled that no Chinese soldier bearing arms, even as a military escort to Peking officials, could enter the International Settlement. Since then the right of expelling any Chinese viewed as undesirable has been successfully asserted, and the viewpoint that natives are only allowed in the city on sufferance constantly reiterated. Sometime, perhaps, the Chinese residents of Shanghai will take this attitude at face value, and march out of the International Settlement in a body. If they do, grass will be growing over deserted docks and streets within six months. Berate them as they will, the foreign residents of Shanghai are absolutely dependent on Chinese help for the success of every one of their activities. In spite of that, the Chinese are taxed without being allowed representation on the council, and are excluded from the parks and playgrounds which they help to support. There is even a ruling that no measure taken by the local Chinese authorities with respect to their countrymen shall be valid in the International Settlement without approval by the foreign council.

On one point only has the Chinese government been able partially to check the steady encroachments of what is not altogether jocularly called the "Shanghai Free State." Since the boundaries of the International Settlement were last extended in 1898, all efforts to increase the area of this virtual republic have been denied by Peking. From 1900 to 1925, moreover, the foreign population in Shanghai has increased from 6,774 to 29,947, while the Chinese inhabitants, exclusive of the Chinese city, have gone up in the same period from 345,276 to 1,099,540. This ratio of thirty-six Chinese to one foreigner explains much of the nervous attitude underlying, and doubtless helping to cause, the attitude of white superiority in Shanghai now. Moreover, 13,804 Japanese and 1,154 East Indians together constitute half of the total foreign population. The increase in numbers of Japanese in Shanghai has been pronounced. A quarter-century ago the Japanese residents were one-quarter as numerous as the British. Now they outnumber the British more than two to one.

The Chinese check to the expansion of territory ruled by the Shanghai municipal council is not, however, entirely successful. Month by month, year by year, the council acquires title to more and more land in unbuilt sections outside the concession boundaries. Then come well-paved streets and roads, then come foreign houses and foreign residents, then comes an incorporation into the International Settlement in all but name. Thus arises another cause for future controversy, where in case of trouble the Chinese can say the foreigners have no right where they have built, while the latter retort that their investment creates a right.

The story of the Shanghai Mixed Court, the present status of which is one of the issues like a powder mine in China now, is one which richly deserves attention. In its evolution to a condition of complete foreign

control is found further evidence of the steady tendency to detach Shanghai from all trace of Chinese sovereignty, against which the patriots of that country are quite naturally and properly in rebellion.

Originally all foreign offenders within the confines of the concessions at Shanghai were brought before their respective consuls as part of the system of extraterritoriality. In the case of Chinese lawbreakers those arrested in the settlement were sent to the nearest Chinese magistrates for trial and punishment. The enormous growth in the Chinese population of the concessions by influx of refugees during the Taiping Rebellion rendered this arrangement unsatisfactory. But in 1863 an agreement between the American Consul at Shanghai (G. E. Seward) and the Imperial Representative said plainly: "The right of jurisdiction of the Chinese authorities over their subjects resident within the Settlement (American) is acknowledged to be indefeasible, but no arrests may be made except on warrants stamped by the municipal authority (American Consul)."

The difficulty of handling criminals, particularly sailors, from nations without consular representation in Shanghai led to a request, after amalgamation of the British and American concessions, that the municipal council be given authority to deal with such offenders. This was readily granted by the Chinese officials. But, as so frequently in China's relations with foreign powers, a conciliatory attitude merely opened the way for further encroachment. In this case it was a plan for establishing a municipal police court in the settlement with power to deal with Chinese offenders. Thus was the present status of the Mixed Court foreshadowed a full half-century ago.

At the time, however, Shanghai did not dare to be as dictatorial to the diplomatic corps in Peking as it is to-day, and after long debate the local foreigners revised

their plan. The new suggestion was a Chinese court in the International Settlement with the foreign consuls holding a watching brief, as legal assessors, in all cases between native litigants which could be interpreted as involving foreign interests. The establishment of this court is particularly noteworthy for three things: it went beyond the system of extraterritorial jurisdiction to inject foreign supervision into a distinctively Chinese court trying only Chinese defendants; it was created at a time when the United States government was deeply absorbed in the Civil War at home; and there is scarcely any evidence available of the negotiations whereby Sir Harry Parkes, then British Consul at Shanghai, obtained Chinese permission for this far-reaching step. It is certain, moreover, that from the beginning the first British assessor, Chaloner Alabaster, interpreted his position as one approaching at least equal judicial authority with the Chinese magistrates. There is a note of pathetic bewilderment in the report to Peking of the Shanghai Imperial Representative in November, 1865. "Now," he wrote, "all Chinese are sentenced by the foreign official to hard labor and the circumstances of the cases are never reported to the city magistrates."

As the Chinese awoke to what was going on, a partially successful effort was made to restrict the power of the assessors to a watching brief in behalf of foreign interests. It will sound strange to ears accustomed to tales of the brutality of Chinese justice that other early changes in the procedure of the Mixed Court were due to native protests against the severity of sentences readily agreed to by the foreign assessors. This tendency to assert Chinese authority, perhaps coupled with the re-entry of America into the Far Eastern diplomatic field after the Civil War, helped to prevent further foreign usurpation of the Mixed Court during ensuing years. Meanwhile there were many improvements in detail and

equipment. Better premises were built, modern prisons were erected, and beyond question an administration of justice much better by western standards than anything of native origin was gradually evolved. In all the proceedings of the court Chinese and not foreign law was and is followed, to which Chinese now point as evidence that their system is not so incomprehensible to foreign minds as is frequently asserted.

A seemingly minor point which has aroused much bitterness among the Chinese was the decision, taken in 1905, to employ Sikh constables in the Mixed Court. All told, there are now nearly five hundred of these huge, bearded, savage-looking Indian police in the International Settlement, and to see them patrolling the streets with rifles slung in readiness is to realize how little Chinese good-will has to do with the continuation of foreign domination. The continued employment of these Indians after it was discovered that they dislike the Chinese and have, in the past, been easily able to intimidate them is an example of the veiled terrorization on which most of the white residents of Shanghai rely to maintain their political and economic power.

The revolution of 1911 gave Shanghai its quickly seized opportunity to secure absolute control of the Mixed Court. In that year, taking advantage of the absconding of two of the Chinese magistrates with funds deposited by litigants, and of the generally chaotic conditions, the consular body took control of the court, and has retained it to the present time. In doing so, three vital innovations were made: (1) The Mixed Court was completely separated from the Chinese judicial system, the magistrates of that race now being appointed by the consular officers. (2) Foreign assessors, as had originally been attempted, were introduced for purely Chinese civil suits, when there is a native defendant and a native plaintiff, and when foreign interests are in no

way involved. At the same time the assessors completely dropped the pretense of being in any way subordinate to the native magistrate, assuming the authority to pass sentence themselves on Chinese offenders. (3) A municipal foreign officer, the registrar, was appointed to take charge of all court receipts.

Since 1911, corporal punishment has been reinstituted by the Mixed Court, the Chinese effort to establish a court of appeal from its decisions has been denied, and jurisdiction has been extended both to roads and to the rivers outside the foreign settlement boundaries. Whether or not there is any truth in the very serious accusation that some of the foreign assessors have frequently accepted bribes from Chinese litigants, I do not know. There is strong circumstantial evidence behind the charge, and an American assessor answered my question on this point enigmatically by saying that "the atmosphere is favorable to it." Personal observation of both criminal and civil cases in trial before the Mixed Court gives the impression that the general procedure is clean, efficient, and fair. But the real issue about the Mixed Court is not whether its procedure is good or bad, but whether its seizure by the Treaty Powers has any moral or legal justification.

The answer to that question is easy. The usurpation of the Mixed Court is a clear and brazen encroachment on Chinese sovereignty by the foreign community of Shanghai which all the Treaty Powers, the United States as much as any, have condoned and abetted. As Professor W. W. Willoughby has said: ¹

Since 1911 the Mixed Court, at Shanghai, has been absolutely controlled by the Treaty Powers. The assumption of this control was justified by no treaty right and the Chinese authorities have repeatedly, but vainly, urged that this control be surrendered.

¹In a paper on "Extraterritoriality in China," read at the Conference on American Relations with China, at Baltimore, September 17-20, 1925.

The history of Shanghai is worth careful study. Much more than any Russian propaganda it has been responsible for the growth of anti-foreign, particularly anti-British, sentiment in China. To the average white man in Shanghai the success of his aggression is a subject to be joked about between drinks. To the Chinese it is a lesson, already more than half learned, that those who tear up treaties to rule by force can best understand the same methods in retaliation.

Under the circumstances, no development of foreign policy in China is of greater basic importance than the agreement reached in July, 1926, between the consular body and delegates of Marshal Sun Chuan-fang (the local generalissimo) to arrange early rendition of the Mixed Court to Chinese control. This agreement, vehemently denounced by foreign lawyers who make their living practicing before the court, awaits approval of the diplomatic body in Peking at the time of writing. It is none the less an encouraging indication that the foreign population of Shanghai is not to be allowed to carry aggressive tactics to the stage where reprisals by the Chinese become inevitable.

CHAPTER X

CHINA HITS BACK

As one looks back on the succession of outbreaks which made the early summer of 1925 so terrible a period in China, the difficulty of assessing fairly the significance of what occurred is uppermost in mind, for other elements than foreign aggression were involved, and vitally involved. The long period of political chaos in China has weakened the moral fiber of the nation, encouraged acts of violence, and stimulated the more debased elements of the population to robbery and looting. The World War, with British, Germans, French, Austrians, and other belligerent nationals reviling one another on Chinese soil, has brought home to every Chinese of intelligence the weakness and division among the European powers, which provide his country's opportunity.

The blocking-off of Russia from Europe—her loss of Finland, Esthonia, Latvia, Lithuania, Poland, and Bessarabia—followed by the ill-judged attempt at a *cordon sanitaire*, has naturally resulted in increasing Russian interest and intrigue in China, not now in concert with the other powers, but opposed to them. To these obvious factors must be added many others: the growing bitterness over the white assumption of racial superiority; the hot-headed activities of immature students too suddenly released from the old disciplines which the changes of late years are sweeping away; the contrast between the idealistic slogans of the war period and the disillusionment of the present; last but not least, the introduction

of a new element of unrest as a result of the industrialization now taking place in many Chinese cities. As an extreme example of the extent to which large-scale production in China is taking root, statistics of the cotton-mill industry in the Shanghai district may be cited. In and around Shanghai there are now operating no less than 58 of these large, well-equipped factories, 32 of them Japanese, 22 Chinese, and 4 British in ownership. They employ approximately 117,000 work people, an average of slightly over two thousand employees to each mill.

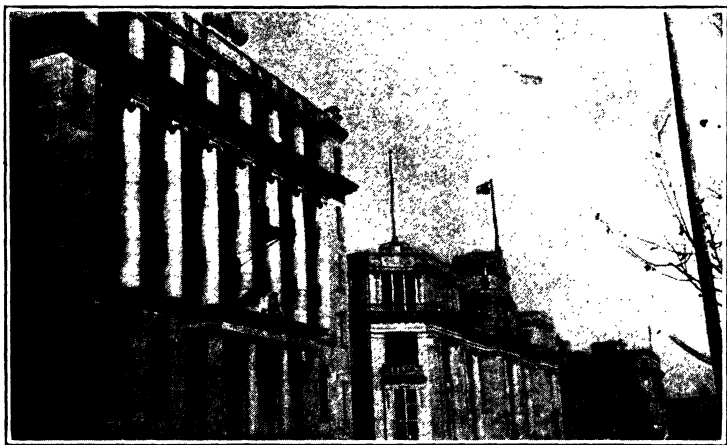
In one of these Shanghai mills, significantly enough, was lit the flame which showed how tinder-dry for conflagration is all of contemporary China. A strike at one of the Japanese-owned concerns resulted in disturbances in the course of which a native workman was fatally shot by a Japanese overseer defending the company property. A few days later, on Saturday, May 30, 1925, a large, though unarmed, demonstration was staged under student leadership in the International Settlement of Shanghai. Several students were arrested for disorderly conduct and taken to the Louza police station, just off the Nanking Road, in the very heart of the concession. Shortly afterwards the crowd, now grown to mob spirit and size, forced its way to the gates of the station house, threatening violent entry. The British police officer in charge gave the order to shoot—in English. From ten to fifteen seconds afterwards, by admission of the authorities, a volley was fired which killed seven Chinese and wounded many more. The following day there were further clashes with the police and several more Chinese were killed. The municipal council placed the city under what amounted to martial law, and 250,000 Chinese workers of every variety went out on a completely spontaneous general strike.

Never was the underlying unity of China more strongly

demonstrated. During the first week in June enormous protest meetings, for the most part orderly, were staged in Peking, Hankow, Tientsin, Nanking, Changsha, Swatow, and most of the other larger cities. On June 4 the diplomatic corps in Peking replied to protests of the Waichiao Pu ¹ with a note stating that "the responsibility of the events . . . rests upon the demonstrators and not upon the authorities of the concession." Immediately thereafter a new and uglier tone entered the nation-wide protest meetings, not checked by a subsequent decision of the foreign ministers to make a thorough inquiry on the scene, which eventually resulted in sharp censure for the Shanghai authorities. But long before that, on June 11, there was an outbreak of mob violence in Hankow in which shops in the Japanese concession were looted, a Japanese murdered, and an attempt made to storm the foreign banks, resulting in the killing of eight Chinese by foreign naval forces landed from gunboats in the Yangtze. At Kiukiang a Japanese bank was burned, and the Japanese and British consulates damaged. Then, on June 23, in Canton, came the most terrible of all the incidents in this significant uprising.

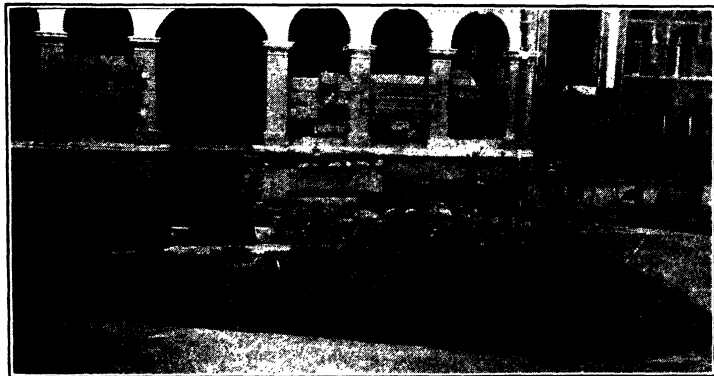
It had been preceded by a general strike of Chinese workers in the neighboring British colony of Hongkong, which for nearly a month made the white residents of this community dependent on their own efforts for everything. As the Chinese servants and operatives of every kind began to trickle back to work, in spite of opposition sometimes amounting to terrorization by labor union heads, a huge protest meeting against the Shanghai killings was called in Canton. After that meeting, at which incendiary speeches were numerous, over twenty thousand Chinese, for the most part school children, members of workers' guilds, and college students, but including some two thousand armed soldiers and cadets from

¹ The Chinese Foreign Office.



FOREIGN BANKS IN CHINA

Financial institutions of the United States, Great Britain and Japan line the Yangtze River at Hankow, deep in the heart of the Republic.



WHITE TRENCHES IN CHINA

A corner of the foreign concession on Shameen Island (Canton) as it looked after the fatal Twenty-third of June, 1925.



the Whampoa Academy, began their fatal march along the Bund opposite the little island of Shameen. On Shameen,¹ which is the foreign concession of Canton, were detachments of British and French marines and perhaps a hundred armed civilian residents. In anticipation of a Chinese attack, both of the bridges connecting Shameen with the mainland had been closed with barbed-wire entanglements, and the whole side facing Canton was (and is) entrenched and protected with sandbags. Virtually all the women and children from the concession had been sent down to Hongkong. It has not been felt safe as yet for them to return to Canton.

Just after three o'clock on the afternoon of June 23, 1925, when the bulk of the parade had passed Shameen and the Chinese troops were opposite the island, firing started. On Shameen a Frenchman was killed, and three English, three Japanese, and two Frenchmen wounded. Among the Chinese demonstrators 52 were killed and 117 wounded, 22 of the dead and 53 of the injured being armed soldiers. The immediate effect of the tragedy was to rally all of Canton to the Russian-advised Kuomintang government, then just coming into power, and to turn the strike at Hongkong into a carefully organized boycott which has now continued for over a year and nearly prostrated that once flourishing British colony.

By most Cantonese this terrible disaster is regarded as a cold-blooded "massacre," for which the British in particular are held responsible. By a majority of foreigners in South China, regardless of nationality, the incident is regarded as a barely frustrated attempt by Chinese troops to seize the foreign settlement of Canton by force. The issue will probably go down as one of those which history can never answer with certainty. I myself am satisfied that Russian-officered Chinese mounted machine

¹Literally, "Sand Bank." It was exactly that until foreign enterprise converted it into a pretty little island.

guns on buildings overlooking Shameen some time before the parade started. Shakee Creek, which separates Shameen from the water-front street of Canton where the parade was marching, is not a hundred feet in width. Yet a majority of the bullet holes with which the buildings on Shameen are spattered are, as I observed on two visits there, more than twenty feet from the ground and of a downward incidence. Without the accounts of trustworthy eyewitnesses and other circumstantial evidence, it would be strongly indicated by this that firing on Shameen came from prepared snipers' nests on roofs in the Chinese city. The concentration of native bitterness against the British is also strongly indicative of Russian influence, for the French, with whom it suits the Soviet government to be on good terms at present, unquestionably did as much firing and caused as many Chinese casualties as did the English. But regarding the question of which side fired first there can be no certainty.

What is certain is the fact that this culminating tragedy of a series which may at any time be reopened has stirred China to a policy of resistance which deserves the closest attention abroad. This resistance has been most strongly expressed in the concerted and sustained effort to ruin the British colony of Hongkong. The present civil warfare precludes any attempt at nationwide, armed opposition. But the civil wars themselves are hardening the Chinese people and enabling them to approach equality in that military efficiency on which the Occident mainly relies for its assumption of superiority in China. As an American military observer in Peking remarked to me: "It is a senseless provocation for us to retain a few hundred soldiers here now. The situation is totally different to what it was at the time of the Boxer rising, when the foreign troops were opposed by

a mob with antiquated arms and entirely ignorant of modern warfare."

Less spectacular than armed resistance, the Chinese boycott of Hongkong, carried on with a complete contempt of foreign treaty rights, is none the less significant, even though the casual visitor to that British port does not immediately see its grim effects in full. The mind is naturally first occupied by the remarkable skill and energy which the British have shown in converting, within a span of eighty years, a precipitous mountain-side into one of the world's greatest ports. And the shipping in the harbor, though cut down by more than half since the boycott started, is still sufficient to give a false impression of bustle and prosperity.

In 1842, the island of Hongkong, then desolate and sparsely inhabited by fishermen, was ceded to Great Britain by the treaty of Nanking. Following her second war with China in 1860, chiefly remembered by the Chinese for British and French vandalism in burning the beautiful Summer Palace near Peking, Great Britain annexed Kowloon Peninsula on the mainland opposite Hongkong. In 1898, when Russia, Germany, and France were all busy acquiring slices of Chinese territory and the United States was taking the Philippines, the British acquired a ninety-nine year lease on an area adjacent to Kowloon known as the New Territories. The whole district is now heavily fortified and, pending the construction at Singapore, is Great Britain's most important naval base in the Far East.

Counting Kowloon Peninsula and the leased territory, the colony of Hongkong has an area of 345 square miles and a population of over 700,000, of whom less than 9,000 are British and about 4,000 other foreigners. The island of Hongkong, itself, where the officialdom, commerce, and major portion of the population concentrate, is but eleven miles long and, in average, three miles in

width. In substance it is a chain of rugged mountain peaks, rising sheer from the sea to an elevation of two thousand feet. Along an artificial shore line, which British ingenuity has constructed where once was deep water, and up tortuous roads which have frequently been hewn from the cliff, clusters a beautiful and cleanly tropical city. There are many islands along the China coast as desolate and barren as Hongkong was a century ago. Many have harbors which could be made as fine. But the Chinese knew very well that they could not possibly accomplish by themselves the engineering which Great Britain has done to make Hongkong important as a focal point of world commerce.

The British in Hongkong are naturally sensitive about letting it be known how hard the Chinese have hit them through the rigid boycott which followed the Shameen tragedy. One learns, however, that the import and export trade of the port, which is almost the sole source of Hongkong's livelihood, was during the last quarter of 1925 almost fifty per cent less in value than during the corresponding months of 1924. During 1924 an average of 210 vessels of all types arrived at Hongkong daily. After July, 1925, the average dropped to 34 vessels a day. It is not merely small junks which, under orders of the Kwangtung provincial government, are passing Hongkong by. The total tonnage cleared from the port has been more than cut in half.

Naturally, individual and firm losses have been enormous, though the Chinese merchants of Hongkong have on the whole suffered more heavily than the English. The banks have been severely strained and, in spite of a special loan of £3,000,000 advanced by the British government, business men have for months found it almost impossible to obtain credit. Everyone in the colony is hard up and the courts are congested with bankruptcy cases. Nevertheless there is little doubt

that Hongkong can hold out indefinitely, though in severely straitened circumstances, against this economic pressure.

That, indeed, is the only course possible. The hot-heads in the colony who advocate a British punitive expedition against Canton are, fortunately, powerless without a support which the home government is unlikely to give. Such retaliation would, in the long run, result in complete disaster for British interests in China. Let alone, the boycott will eventually peter out; 80 per cent of the Hongkong strikers had returned to work by the first anniversary of their quitting, in June, 1926. On the other hand, attempts to force a resumption of normal trade relations by military action can only result in hardening the Chinese resistance. You cannot make your enemy purchase at your store by kicking him.

A problem of extreme delicacy for the colonial government of Hongkong has been rendered still more difficult by the impossibility of ascertaining just what concrete aims the Kwangtung government is seeking in the boycott. Reinstatement of and strike pay for those who left their jobs in Hongkong as far back as June, 1925, can no longer be regarded as a serious objective. Some of the political demands are reasonable, such as Chinese representation on the legislative council of the colony. Some are unreasonable. No restrictions on Chinese for residential purposes, for instance, would simply mean that the far wealthier Chinese merchants would be able to oust the British from homes which they have gradually engineered far up on the precipitous "Peak." Then there are demands that the Chinese in the colony should have "absolute freedom" of meetings, parades, public speeches, publications, etc., and that the power of banishment should be entirely rescinded. At first glance it looks as though Canton wants to force the rendition of Hong-

kong to China, but this is not a serious purpose except in the minds of a few extremists.

The actual aims of the moderate leaders in Kwangtung, and they are gaining in power as Russian influence wanes, are about as follows: *First*, to teach the British, and through them the other Treaty Powers, that the dominant race in China is the Chinese, and that foreigners are there on sufferance just as much as Chinese are in England, or America, or France, on sufferance; *second*, to stimulate the Chinese to develop their own country for themselves, and to encourage a racial pride, with modern military force to support it, which will no longer passively submit to foreign impositions; *third*, to hasten tariff autonomy and abolition of extraterritorial jurisdiction by making it evident that one large section of China is no longer disposed to wait around as a suppliant on these issues; *fourth*, to oppose the effort towards overcentralization in China by showing her people that a single province—Kwangtung—can accomplish more towards stemming foreign encroachments by acts than the so-called national government at Peking has ever done by talk. This last aim was achieved in July, 1926, when the Hongkong colonial government tacitly recognized the independence of Kwangtung by sending an official delegation to Canton to open negotiations for terminating the boycott.

Well before these negotiations started, however, there was no doubt that the Kwangtung government was ready to call the boycott off, even on a basis of "honors easy." The chief obstacle has been the authority given in this matter to the strike committee, as already discussed.¹ These strikers, acting on the Russian theory of the rights of proletarians, have been responsible for virtually all the serious disorders which have continually smirched the record of the Canton government. The armed

¹ See p. 85.

strike pickets like the domination which has been given them, and like to live at public expense. They like to loll around in the sun with rifles, shooting Chinese *bourgeoisie* who disagree with them. They like the countless opportunities for bribes which come their way. This absurd apotheosis of debased and ignorant coolies has come near to proving the Frankenstein of the Kwangtung government—its penalty for being too ready with lip service to Russian doctrines.

In this juncture Hongkong is fortunate in possessing, in Sir Cecil Clementi, a colonial governor who knows China and the Chinese, is very sympathetic to their reasonable claims, and who is personally a most charming, cultivated, and keen-minded English gentleman. It was his appointment to Hongkong which gave most hope for constructive solution of South China's most acute problem in international relationships. Indeed, at this period of rising Chinese antagonism, increasing Chinese sensitiveness, and changing Chinese conditions, no duty is more imperative for Occidental governments than to see that their diplomatic and consular representatives in China are of the highest grade, chosen for their advance knowledge and understanding of the acute problems which they will be called upon to face. More important than warships and regiments for the protection of foreign lives and property in China is the presence there of clear-visioned envoys. In this class, fortunately for American prestige, belongs the American Minister at Peking, J. V. A. MacMurray. Whether his power to act along lines in full accord with America's traditional Chinese policy is equal to his ability to visualize the desirable course is, however, another question.

CHAPTER XI

WHAT CHINA DEMANDS

It is a seeming paradox, much harped upon by foreigners in China, that native insistence on the abolition of one-sided foreign privilege in that country should have increased *pari passu* with accumulating indication that the Chinese are unable to form a stable national government. There is that degree of half-truth in the criticism which makes further examination imperative if the justice of the Chinese claims is to be fairly assayed.

In the first place it is a very natural human characteristic, by no means limited to Chinese, to be most sensitive about personal dignity when circumstance has placed one in an undignified position. In China this attitude, known as "saving face," is carried to lengths which to us often seem extreme. The Reverend Arthur Smith, in his charming book on "Chinese Characteristics," notes many instances of the peculiarity. It was first brought home to me by my ricksha boy in Peking, who without understanding an address given to him in English would continually dash off in the first direction that came to his mind rather than admit that he did not comprehend. "Face-saving" undoubtedly accounts for some of the Chinese sensitiveness at this period of disintegration. Incidentally, did not Poland insist on having a permanent seat on the Council of the League of Nations just before Pilsudski's revolution showed her incapable of solving domestic problems by constitutional means?

But the actual, convincing logic behind the essential Chinese demands is so strong that the influence of half-amusing, half-irritating racial characteristics may fairly be ignored entirely. Stripped of non-essential claims, put forward for the bargaining purposes so deeply rooted in all international diplomacy, China lays claim to just three reformations in the policy of the powers on her soil. Those three demands are: (1) rectification of the situation in Shanghai; (2) tariff autonomy; (3) abolition of foreign extraterritorial privileges so far as they interfere with the "fundamental principle of public law, recognized by all modern civilized States, that every sovereign political body has the exclusive right to exercise political jurisdiction within its own territories."¹ Whether or not the Chinese problem is to become increasingly more dangerous from the foreign viewpoint depends primarily on whether or not the justice of the Chinese claims in these three points of controversy is adequately apprehended abroad. Let us consider them *seriatim*, sticking to fundamentals and avoiding the mist of extraneous matter with which the issues are frequently befogged.

On the first point, the local situation in Shanghai, little need be added to what has been said in Chapter IX. The barefaced and totally illegal assumption of foreign control over the Shanghai Mixed Court would have been a clear-cut *casus belli* to any nation less pacific in its foreign relations than China. It may be said that the American Minister in Peking, and many of his colleagues, are firmly convinced of the complete justice of the Chinese claim for a surrender of consular control over this court. The steps looking toward this end which have now been taken by the Shanghai consular body are belated—all the more reason why there should be no further delay in eliminating an act of aggression which

¹ DR. W. W. WILLOUGHBY, *op. cit.*

has done much to arouse anti-foreign feeling. Similarly, Chinese representation on the Shanghai municipal council ought to be granted forthwith, the fact that an American lawyer, Stirling Fessenden, has served two terms as chairman of that body giving us more responsibility for this essential reform.

Shanghai is not foreign territory. It is a foreign concession. There is neither justice nor reason in the present policy of making the Chinese in the International Settlement, many of them far better equipped intellectually than the bulk of their alien governors, pay taxes without a vestige of self-government. Fortunately, the Shanghai municipal council, albeit belatedly and grudgingly, is now beginning to consider giving carefully selected Chinese residents a small minority voice in local government. The Chinese are a very patient and long-suffering people. It is possible that they will be satisfied with this move by viewing it as an entering wedge.

The second major issue in Chinese minds, following the arbitrary order we have chosen, is that of tariff autonomy. Theoretically this issue was settled on November 19, 1925, when the Customs Conference convened in Peking in conformity with the decisions reached at Washington nearly four years earlier,¹ unanimously approved the following formula:

The delegates of the Powers² assembled at this Conference resolve to adopt the following proposed article relating to tariff autonomy with a view to incorporating it, together with other matters, to be hereafter agreed upon, in a treaty which is to be signed at this Conference:

The Contracting Powers other than China hereby recognize China's right to enjoy tariff autonomy; agree to remove the tariff

¹By the Nine Power Treaty (see p. 7). The French refusal to ratify this treaty until settlement of the Gold Franc controversy, a totally irrelevant issue, was largely responsible for the delay in calling the Customs Conference in Peking.

²The signatories of the Nine Power Treaty, plus Denmark, Norway, Spain, and Sweden.

restrictions which are contained in existing treaties between themselves respectively and China; and consent to the going into effect of the Chinese National Tariff Law on January 1, 1929.

The government of the Republic of China declares that likin shall be abolished simultaneously with the enforcement of the Chinese National Tariff Law; and further declares that the abolition of likin shall be effectively carried out by January 1, 1929.

On the face of it, the second paragraph of the above formula explicitly promises China, as from January 1, 1929, the same freedom in fixing customs duties which is enjoyed by every independent nation. That, certainly, is the understanding of the Chinese, in spite of the fact that no treaty giving the promise binding force has yet been written. Aside from this point, however, some foreign representatives maintain that the advent of tariff autonomy is contingent upon the abolition of likin—the tax on goods in transit inland throughout China—and that paragraph two of the formula must be taken in conjunction with paragraph three. By the Chinese the two paragraphs are taken as independent units, and it is insisted that tariff autonomy must be granted on the date set regardless of whether the abolition of likin is “effectively carried out” by that date. The argument may seem somewhat academic until the new tariff treaty is formulated and signed, but it is almost certain to raise future acrimonious controversy, for the situation at present holds out little promise that likin will actually be abolished by 1929.

Likin is not an institution of old standing. It was first imposed in 1853, in Kiangsu and Shantung Provinces, to raise special funds necessary to suppress the Taiping Rebellion. Eight years later it was extended throughout the Empire, but today only a very small proportion of the revenues collected reach the central government. Under the Tuchun system it has grown to be the most important source of provincial revenues. It

is, of course, the most haphazard and unscientific of taxes, painfully detrimental to the development of China's internal trade, and the imposition at the hundreds of collecting stations throughout the country are doubly irritating because much of the revenue derived is now wasted in supporting the various war lords. Every commercial treaty with China for a quarter of a century has sought the abolition of likin and, considering the purposes to which the tax is put at present, there is not much to be said in favor of the institution.

It does not follow therefrom that there is any justification in the effort to make the granting of tariff autonomy contingent on the abolition of likin. The device has two aspects: *first*, as a scheme for securing provincial as opposed to federal revenues; *second*, as an uneconomic tax on trade. It is this second aspect which, unfortunately, is uppermost. But if the incidence of the tax were altered along scientific lines, and its proceeds used by the provincial governments for constructive purposes, no foreigner would have the right to say a word against it. Unfortunately the criticisms of likin by many foreigners in China indicate all too plainly that one of the objections is that the Chinese actually dare to collect this tax for themselves. They do not like the contrast with the Chinese Customs Service, which is managed by British officials, the bulk of the revenues of which are deposited in British-controlled banks, and from which Peking receives only such small proportion of the total revenue as is not allocated to the payment of the Boxer indemnities and to the service of foreign loans, most of which have been contracted by utterly irresponsible officials at Peking.

Further evidence that there is something suspicious in the hue and cry about likin is the fact that it very seldom affects the foreigner's pocketbook, which is so frequently his one criterion of what is good or bad in

Chinese methods. Charles K. Moser, Assistant Chief of the Far Eastern Division of the Department of Commerce, writes as follows ¹ in this connection:

Although likin is so generally recognized as one of the serious detriments to trade development in China, as a matter of fact comparatively few foreign merchants have ever been conscious of it except from hearsay. The foreigner customarily sells his goods at the Treaty Ports and takes his profits. Or, generally he has bought them delivered there, only after he was sure he could sell again at a profit.

The Chinese merchant, Mr. Moser concludes, is the real sufferer. Yet these merchants want tariff autonomy for China, with or without likin abolition. Foreigners who would link the two together do so on the assumption that nothing must be granted China without exacting a price therefor.

By the treaty of Nanking, China undertook to establish at the five ports then opened to foreign trade "a fair and regular" tariff scale to replace the multitudinous local exactions in force at Canton, prior to 1842 the sole port at which alien shipping was permitted. This tariff was made "regular" by establishing a flat 5 per cent ad valorem rate. Whether or not the rate was "fair" the American reader, reflecting on the tariff history of our country, may decide for himself. At all events 5 per cent has been the permissible limit imposed by the powers for the past eighty-four years, and for long periods the duties received have been much less than that because of delays in revaluing schedules in accordance with price changes. The underlying motive, of course, has been to make the great Chinese market a dumping ground for foreign wares, and to make it more difficult for the Chinese to develop their own industries in competition with foreign countries.

The United States has, since 1844, been a party to this

¹ In "Commerce Reports," June 7, 1926, p. 595.

arrangement, though we seem to see no inconsistency in levying duties up to 90 per cent on Chinese products coming into this country. One graphic illustration of the unfairness of the arrangement may be cited. For a standard fifteen-cent package of American cigarettes one must pay forty cents in Canada and the equivalent of thirty cents in Japan, the difference being caused by the duties levied by these countries. In China that package of cigarettes can be bought for the equivalent of eleven cents. In other words the Chinese government is prohibited from levying a duty on a luxury of foreign origin (American tobacco) even equal to the internal revenue tax taken thereon by our own government.

Not content with this injury the Treaty Powers have added insult thereto by informing the Chinese that they should establish a stable government in Peking (competent to abolish *likin*, for instance) before they are given the right to levy such duties on foreign goods as they think desirable. This is merely arguing in a circle, and a very vicious one at that. The customs, at present under British administration,¹ provide the Peking government with its only really reliable source of revenue at the present time. The portion which escapes the foreign bondholders on the way to the federal treasury is pitifully small. Without an increase in this revenue, obtainable by establishing reasonable tariff rates, no central government can have stability.

There is, of course, force in the objection that any increase in revenues might be diverted to uneconomic purposes—to building bigger armies by the Tuchun temporarily in control at Peking. But after all, that is not our business, and the great powers are the last with any right to assume a virtuous attitude on military extrav-

¹ Historically, because when foreign inspectors were first appointed the English representative was the only one who spoke Chinese! See "China Year Book," 1925 edition, p. 899.

agance. What would be our attitude if China should by force take over our customs administration and limit our tariff rate to 5 per cent *ad valorem* on the argument that if we get any more revenue from imports, we would be likely to spend it on building battleships? The very absurdity of the analogy ought to bring home the scandalous situation which has come to be regarded abroad as something which China ought to stomach without question.

The Customs Conference which convened in Peking in October, 1925, has been faced with all sorts of difficulties of Chinese making. The government with which the foreign delegates started to treat was overthrown by civil war six months later, the resulting anarchy forcing adjournment of the conference *sine die*, in July 1926. Several of the officials who drafted the original Chinese proposals fled from Peking for political reasons early in the sessions. There can be no certainty that any arrangement arrived at in the capital city will be observed throughout China as a whole. The Kwangtung government, for instance, objects to any arrangement which places greater revenues in the hands of the northern militarists. Yet many of the difficulties in working out an interim schedule applicable until January 1, 1929, have been of foreign making. Jealousy between foreign interests, each fearful that some other nation may gain a slight competitive advantage, served greatly to delay progress when it was possible, and also served to show the Chinese how little unity there is now among the powers in respect to Chinese policy. Nobody would accuse Silas H. Strawn, the American delegate to the conference, of any tendency to take a hostile attitude toward the claims of foreign business to affectionate consideration. Yet Mr. Strawn cited to me the "importunity of business interests" as one of the factors complicating a solution of the customs problem. "If they would ask

themselves," he said, "how the maximum tariff rates suggested for China compare with those in force in their own countries, I think much of the foreign commercial opposition to proposed schedules would be recognized as shallow."

It may be asked why the twelve foreign powers participating in the Customs Conference should have been inclined to tug in various directions when the principle of tariff autonomy for China had already been approved. The answer is that the interim schedules which the conference sought to work out were designed to serve as the basis, if not the absolute model, for the anticipated Chinese National Tariff Law of 1929. Most of China's imports are not luxuries. A slight majority of them are either (1) necessities unobtainable in China, or (2) materials essential to develop her basic industries, or (3) products which she cannot at present manufacture economically. In addition the Chinese recognize that they are inexperienced in so technical and complicated a matter as tariff administration. It follows that any Chinese government is willing to view foreign proposals sympathetically as the basis for a permanent tariff law. But autonomy in this matter the Chinese are determined to have. Whether or not this autonomy shall be exercised on lines following foreign advice, or on lines dispensing with it, is the real issue which the delegates to the adjourned Customs Conference have to consider.

The third of the fundamental Chinese demands, that for the abolition of consular judicial jurisdiction over foreigners resident in China, is one on which much more can properly be said in opposition to native claims than in either the rectification of Shanghai illegalities or the advent of tariff autonomy. Chinese justice is not foreign justice, and Chinese codes, in spite of earnest efforts at revision, do not in practice approach the level regarded as essential in most white nations.

None the less, this issue, by action of the foreign powers themselves, has fundamentally been decided in the Chinese favor. When, as a result of the war, Germany and Austria were forced to renounce their extraterritorial privileges, and when Russia, having more nationals on Chinese soil than any other foreign country except Japan, abandoned hers, it was virtually settled that sooner or later, willingly or unwillingly, the other powers would have to follow suit. German business men in China now endeavor to settle their legal differences as much as possible through their own consulates or chambers of commerce, and that mode of evading Chinese courts will remain open to other foreigners. But what the Germans, Austrians, and Russians, to say nothing of minor powers, have yielded, Great Britain, America, France, and Italy cannot retain. To the Japanese the abolition of extraterritorial rights means relatively little. Their own system of justice, except that it is efficient and honest, is akin to the Chinese in fundamentals. Preferential tariff rates are more important in Tokyo's viewpoint.

The absurd weakness of the Peking government, which is a constant source of difficulty to the foreign commissioners trying to negotiate with it on the subject of extraterritoriality, is in this situation a source of Chinese strength. The way the tide is trending was shown dramatically at Geneva on June 1, 1926, when, according to press dispatches, Chu Chao-hsin, the Chinese Minister to Italy, responded to taunts by a British member of the League's opium advisory commission, by announcing that unless the powers themselves take revisory action "China will soon tear up the unequal treaties forced upon her."

Every foreigner in China knows in his heart that at any moment the Peking government could take this step, disclaiming responsibility for the ensuing crisis and at

the same time securing nation-wide credit and popularity by the step. With this contingency in view Chinese organizations are arguing that foreign consular jurisdiction is illegal, because the system is derogatory to the territorial and administrative integrity of China, which the Nine Power Treaty undertakes to respect. Whether or not this reasoning seems specious abroad is not important, unless the foreign governments are willing, when the issue comes to a crisis, to back their viewpoint with force. And Chinese leaders do not for a moment believe that sentiment favoring a war to force observance of the unequal treaties on China exists in any European nation, still less in the United States.

This situation explains why American officials in Peking, regardless of the morality of extraterritorial jurisdiction, believe that the only rational policy for the United States in China is to "face forward and walk backwards," which means that while this last of the three basic Chinese demands should be gracefully conceded, adequate safeguards should be placed around the extension of Chinese judicial authority over foreigners. There is little doubt that the Chinese will meet all reasonable requests in this direction. It could be arranged, for instance, that the Chinese judiciary have their salaries secured by the foreign-administered customs service in order to insure their independence from local politics. It could also be arranged that foreign assessors, or at least advisers, be allowed to sit in on trials of foreigners until a generation of Chinese magistrates familiar with western law and western ethics is established. Rational compromises of this sort are as desirable as continuation of the present embittered status is dangerous.

There is the difficulty, moreover, which those who oppose the yielding of extraterritorial privilege have to face in respect to the German and Russian precedents. Both Dr. Boyé, the German Minister, and Mr. Karakhan

the Russian Soviet Ambassador, assured me in Peking that they have little cause for complaint because of the treatment of their nationals in Chinese courts. It is indisputable that there have been cases where Russians adhering to the old régime have been badly handled, but as these unfortunates are people without a country, it is difficult to base a convincing argument on their experiences. And the admission of the Germans that, while dubious of the future, they cannot complain of their experiences under Chinese law is not countered by saying that this is no proof that abolition of the consular courts would be equally satisfactory to all. A hypothesis will not override a fact.

In closing this brief consideration of the problem of extraterritoriality, it may be useful to report a hearing by a Chinese magistrate of a case, involving American interests, which I attended in Hankow. The case was entirely typical, and in no way sensational in nature, and for that very reason may advantageously be set down in some detail.

During March of 1925 the Standard Oil Company of New York dispatched two junkloads of kerosene up the Han River from Hankow, as a routine item in the very extensive shipping operations carried on by "Socony" from this distributing center. Also as a routine matter the two junkmasters reciprocally went bond for one another on safe delivery. For some time nothing more was heard of either craft; then both of them were found wrecked and abandoned a long distance up the river. From one hulk three-quarters of the cargo had disappeared, and from the other about one-quarter, the whole loss representing a value appraised by the company at \$1,250. Neither of the junkmasters was to be found, and the natural assumption was that they had intentionally wrecked their ships and disposed of the easily removable portion of the cargo to neighboring farmers.

During the autumn Chinese detectives, who seem to be quite as efficient as their American counterparts, located one of the junkmasters in Hankow and promptly arrested him. His ship was the one from which only a small portion of the cargo had been lost and he protested that the wreck was caused by a spring freshet, that he had stolen nothing, and that only fear of punishment by the foreigners had made him run away. Regardless of the argument he was clapped in jail, held there several months without a hearing, and produced for trial on the day when I happened along as an interested observer. As the case involved American interests, the United States Consul at Hankow sat with the Chinese magistrates as an assessor, his interpreter beside him in case of need. The Standard Oil Company was represented by a youthful but keen member of its local American office force, the Chinese head of its Hankow shipping department, and a very alert Chinese lawyer. There was a court stenographer and there was the man on trial, without counsel or other assistance. No witnesses of the event appeared for either side.

The affair was over in little more than half an hour, following the Chinese legal theory that an accused man is to be considered guilty until he proves innocence. The corporation presented its case, with the strong circumstantial evidence that the junkmaster had deliberately wrecked his ship and stolen part of the cargo. The accused, shabby, pale from confinement, and forlorn looking, then reiterated his story at considerable length, with an occasional searching interrogation from the magistrate, who seemed possessed of competent judicial mentality. Finally the man was sent back to prison for another month, on the understanding that if his colleague did not appear within that period he would be held responsible for the entire loss. Lacking attach-

able goods, this would probably mean a two-year jail sentence.

Now the moral of this incident, as it appeared to me, is not that the course of justice in China is particularly corrupt, or inefficient, or dilatory. It is, rather, that the foreigner, with his easily mobilized battery of technical and legal assistance, and his Consul at hand to stiffen the magistrate, is so well content with the present treaty arrangements that the very idea of change, regardless of whether other factors make it desirable, annoys him exceedingly. As Dr. Jacob Gould Schurman observed¹ in his official capacity as American Minister to China, shortly before leaving to become Ambassador at Berlin:

The conservative tradition of the Treaty Ports is averse to modifying the present system of extraterritoriality and indeed deprecates all discussion of it. It is an extreme position and with the lapse of time will in my opinion become more and more untenable.

It is indubitable that the Chinese judicial system is still primitive beside that of the Anglo-Saxon race; that "squeeze," in the shape of unrecorded monetary transactions, is often helpful in hastening its operation; and that most of the provincial prisons would seem barbarous to hardened social workers. It is also unquestionable that present political chaos is a chief factor in delaying steps by the privileged foreign powers to abolish extraterritoriality. None the less, as much cooperation as circumstances permit in meeting this third point in the Chinese demands is desirable. The objections to the system outweigh the advantages of continuation.

¹ In an address before the Anglo-American Association, Peking, January 20, 1925.

CHAPTER XII

FACTORS IN UNIFICATION

In spite of the chaotic political conditions in China during recent years, the maritime customs revenue of that country, measured in Haikwan taels, has increased steadily year by year since 1918. The general trend is pronouncedly up even when fluctuations in the value of this monetary unit are fully discounted. Converted to gold dollars we see an advance in Chinese customs revenues from under \$35,000,000 in 1912 to almost \$65,000,000 in 1925. The Chinese market, in other words, is steadily expanding. The tendency is for more and more foreign products to be sold there, regardless of local fluctuations due to warfare, boycotts and unrest. And as the purchasing power of the country gains, so also gains the interest of the foreign business man in China.

That is one side of the picture, helping to explain why opposition to giving China tariff autonomy has strengthened out of fear that thereby the present rising tide of foreign trade with that country might be impeded. The other side is that emphasized by Chinese statesmen who see that in the five-year period, 1920-1924, their country's merchandise imports averaged \$752,000,000 per annum in value, while merchandise exports in the same period had an average annual value of only \$528,000,000.¹

In the long run this normally unfavorable trade bal-

¹ During the fiscal years 1920-1924 the merchandise imports of the United States averaged \$3,767,000,000 in value; the average annual value of merchandise exports being \$5,333,000,000.

ance means foreign loans to make up the deficit, and foreign loans to China have almost invariably stimulated foreign political interference. Every Chinese of intelligence realizes today that approximately one-quarter of his country's imports are cotton textiles, and this continues although every factor suitable to domestic manufacture, from good land to good labor, is present in abundance. If cotton goods now imported from Great Britain and Japan were manufactured at home behind a reasonable tariff barrier (this is the argument of modern China), a long step would have been taken towards equalizing import and export statistics and in freeing the country from foreign political pressure. The attitude assists in showing why Great Britain and Japan have come in for so large a portion of the so-called anti-foreign animus in China recently. Economic as well as political motives are involved.

The advent of modern industrialization in China is partially responsible for, and partly caused by, the new economic reasoning, in which the returned students of course are playing a predominant rôle. It is easy now to exaggerate the extent to which the factory system has taken root over there. It is probable that a full three-quarters of the entire population is still engaged in purely agricultural pursuits, and it is certain that not 1 per cent are as yet wage earners under modern industrial enterprise. The tendency towards modern methods of manufacture is, however, pronounced. It is a unifying and stabilizing force of the greatest importance, steadily expanding under the surface chaos which gives so unfair a picture of present-day China as a whole.

Modern industrial enterprises, many of them of sizable scale, are now reported from over fifty different centers. They are no longer confined either to the Treaty Ports, or to developments of foreign origin. From current pages of the Chinese government's *Economic Bulletin* could

be culled an instructive list of the manufactures steadily springing up in all sections of the country. They are literally of almost every variety. Here, for instance, is the Eastern Model Cigar Manufactory in Shanghai, established and financed by Chinese and producing between 5,000 and 6,000 cigars a day, the raw materials for which are purchased from Manila. Here is the Kwang Hwa Match Factory in Hangchow, employing 1,100 workpeople and doing an annual business of half a million dollars. Here is the Chung Hsing Button Factory of Wuhu, where 120 operatives turn out daily upwards of 20,000 buttons, manufactured from the shells of mussels which in themselves form an important local food product. Here is the Pootung Electricity Supply Company, furnishing day and night lighting and power service to homes, factories, and docks in Pootung, its capital stock all held by Chinese, and its officers and technicians also of that nationality. Here is the Fukien Industrial Company of Foochow, where 700 men are employed in the tanning of leather and the manufacture of various forms of leather goods.

These examples are chosen absolutely at random, with the sole provision that every case cited must be originated, managed, and financed by Chinese alone. Even with this qualification hundreds of similar instances of industrial development, most of them prospering and nearly all of them started within the past decade, could be mentioned. Enough has been said to illustrate the salient point, which is the steady, and no longer negligible, progress in industrialization. In its train this will bring, and is bringing, new social problems. But the most important immediate effect is the stimulus to national self-confidence, the demand for the establishment of sovereign political rights to foster the trend, and the consciousness of national unity in the modern sense which is being forwarded. It will not be forgotten that

federalism in the United States was not proved successful until the expanding markets of our factories broke down political provincialism in behalf of national strength.

Behind industrial development lies the question of natural resources. Rich as China is in the possession of mineral wealth, her assets in this direction have probably been overestimated in popular opinion. In such common metals as copper, lead, zinc, and silver the country is deficient, pronouncedly so in relation to the immense territory and population. Nor does prospecting so far accomplished indicate any notable petroleum resources. In antimony and tungsten, on the other hand, China alone, in both cases, now produces half of the entire world supply. It is worth noticing in passing that the Fordney-McCumber Tariff Act levies a duty of about 100 per cent on Chinese tungsten, making an interesting contrast with the 5 per cent duty China is allowed to levy on American imports. Another example of this unfairness is seen in the lace-manufacturing center of Wusih, where production has been cut in half since enactment of our tariff law. No American industry will be found similarly injured by Chinese customs duties, *likin* included.

With regard to the two basic industrial minerals—coal and iron—China is also very rich, particularly in coal. Studies now generally regarded as far too conservative estimate the total Chinese coal reserves at from forty to fifty *billion* tons, sufficient to supply the country for over two thousand years at present consumption rates. Coal is produced in every province, with the provinces of Chihli and Fengtien (in Manchuria) at present getting out about five million tons a year apiece, and Shantung following with an annual output of over two million tons. Anthracite, said to rank with that of Pennsylvania in quality, is found in large deposits in Shansi and

Honan, its presence in the former having assisted that relative prosperity which has made Shansi known as the "model province." From 1912 to 1923 the annual production of coal in China nearly doubled, rising from thirteen million tons the former year to almost twenty-three million tons a decade later. The Kailan Mining Administration in Chihli Province, formed by amalgamation of British and Chinese companies, was producing about eight thousand tons a day during the disturbed months of the spring of 1926, which is not far below the ten thousand-ton-per-diem mark of the Japanese-operated Fushun mines in Manchuria.¹

While these two largest Chinese mines are largely foreign controlled, it is noteworthy that well over half of all the coal produced is extracted by purely Chinese companies. Of these may be mentioned the Chungshing Company in Shantung, which increased its output from 518,000 tons in 1918 to 728,000 tons in 1923; and the Liu Hu Kou Company in Honan, which in the same period raised output from 118,500 tons to 444,500 tons. A number of other Chinese-owned and Chinese-managed mines rival these two in production. During the period 1920-1923 the coal imports of China remained almost stationary, while her coal exports increased over 50 per cent, Japan taking most of the increase. The upward trend in export is continuing.

Year	1920	1921	1922	1923
Imports (tons).....	1,338,356	1,361,781	1,151,392	1,366,108
Exports (tons).....	1,970,187	1,886,398	2,377,443	3,108,682

Most of the iron mining in China is done in the Yangtze Valley, the ore production averaging over a million tons a year. Relatively little of this is smelted in the country, however, and Japan, again, receives most of

¹ See p. 45.

the exported ore. As the following figures¹ show, the importation of iron ore to China has now virtually ceased, while exportation is rapidly increasing:

Year	1917	1920	1923
Imports (tons)	28,022	20,102	3,084
Exports (tons)	309,107	682,660	727,603

It is evident, therefore, that in the exploitation of her mineral wealth, as well as in the establishment of nearly every form of modern factory production, China is going ahead with reasonable rapidity, regardless of civil strife and political overturns. Indeed the trend is so pronounced, and the Chinese themselves are playing such a leading part in bringing it about, as to indicate that much of the opprobrium cast on the republic by foreigners for its inability to maintain order does not cut deep. In this connection a contemporary study² by the National Bureau of Economic Research, in New York, is thought provoking. It shows that in the pre-Republican period, for the years 1888 to 1910, China enjoyed on an average only 6.84 months of prosperity for every year of business depression. But by adding eight years of Republican rule, taking the period 1888 to 1920, the ratio becomes 7.80 months of prosperity for every year of depression. It does not matter so much that by this grading China ranks low—though above Austria and Brazil. What is significant is the business improvement which the republic, with its breaking of old fetters, has brought about. Beyond doubt this will become more rather than less pronounced in future, as the growth of a modern business class tends to bring about a national unification which the war lords have tried to force prematurely and by destructive methods. But even their

¹The statistics on coal and iron are taken from the "China Year Book" of 1925.

²Entitled "Business Annals."

work has had a modernizing side in teaching the Chinese discipline, group as distinct from family loyalties, and equality in military strength with foreigners.

Business is unifying China. And perhaps to an even greater extent the Chinese Labor Movement, greatly criticized and equally greatly misunderstood by Treaty Port foreigners, is unifying China. In summarizing the significance of this important trend I can do no better than to quote extensively from an article on "Labor Problems in China in 1925," as it appeared in a recent publication¹ of the completely non-political and admirably scientific Chinese Government Bureau of Economic Information. Herein an anonymous writer says:

Systematic organization of the labor movement in China began soon after the Great War, but real progress dates back only three or four years. And it was not until 1925 that the movement definitely assumed its national aspect; that a foundation was built for nation-wide organization. The history of this development may be roughly divided into three periods. Previous to 1920, all labor problems were in the dormant stage, but forces were already at work to prepare the way for the second stage of development. The period between 1921 and 1924 was characterized by numerous spasmodic efforts at organization, and might be designated as the formative period. The year 1925 constituted a period by itself when labor organizations in various parts of China began to join hands in putting a national aspect to the movement. But closely welded combination has still to come, although the influence of labor agitation has already been felt in all walks of life. Consolidation of present progress will be the work of the future.

China, being fundamentally an agricultural country, has had few labor problems to contend with in its long history. Even in recent years, industrial development has not gone far enough to cause a really acute labor situation. But the effects of agitation in other countries were felt . . . for in comparison with western nations, the treatment of labor in the so-called modern factories in China appears to be exceedingly unsatisfactory. Aside from their meager remuneration and long hours of work, Chinese workmen do not get the protection which is afforded in the West both by law and by industry itself. So, after the World War, a few advanced theorists socialistically inclined began to espouse the cause of the workers. The leaven worked rapidly, and laborers

¹ *The Chinese Economic Monthly*, March, 1926.

in many industrial centers, such as Shanghai and Canton, began to organize themselves in order to put more weight behind their demands for better treatment and higher pay. Strikes became more and more frequent. . . . The conclusive success of the Hongkong seamen's strike and the Peking-Hankow Railway employees' strike brought home the need of better and larger organizations. With this prelude, we come to a discussion of developments in 1925, a year which was epoch making in the labor history of China.

The principal agitations of the year were concerned with two important labor unions, the Shanghai Federation of Labor Unions and the National Labor Association. The former is a federation of thirty-seven labor groups. The National Labor Association had its birth in Canton on May 1, 1925, under the auspices of the Kuomintang. . . . The Shanghai branch of the Association, known as the Shanghai Central Labor Union, was organized a month later.

Through the activities of these two organizations, Shanghai became the center of the national labor movement and the source of all important labor agitations. It was through their ceaseless propaganda that the Peking Labor Federation was inaugurated in June, the Tientsin Central Labor League in August, the Honan Central Labor League in September, and the various railway labor unions on different dates of the same year (1925). Aside from speech making and pamphleteering, two daily newspapers were published (that in Shanghai has been suppressed). . . . The Shanghai May thirtieth affair and subsequent incidents added impetus to the movement, and the two associations vied with one another in acquiring influence and assuming leadership in all maneuvers. Their ever-increasing activity, however, led them into conflict with the authorities, and they were first expelled from the Foreign Settlement in Shanghai, and then forcibly dissolved by the Chinese authorities in September, 1925. But the seed of discontent had already been sown and the movement went on just the same, although the organizations were henceforth shorn of official recognition.

In addition to the labor unions, the activities of the student organizations had a good deal to do with the ever-spreading labor troubles. Resolutions were adopted at the Seventh Annual Conference of the National Students' Federation held in June, 1925, in Shanghai, for the purpose of (1) espousing the laborers' cause in their fight against capitalism and assisting them to secure adequate protection from the government, (2) rendering necessary assistance in starting labor organizations and carrying on propaganda work, (3) founding night schools and publishing mass education literature to help the workmen to acquire adequate knowledge in political matters, and (4) giving proper backing to idle workmen during strikes. These resolutions were faithfully

carried out not only by the Student Federation but also, to a large extent, by the National Federation of Laborers, Merchants, and Students, a new organization born after the May thirtieth episode. It was largely through the efforts of the students that much public sympathy was successfully enlisted on the side of the strikers, and that the labor movement has grown to its present magnitude.

The writer then describes in detail a number of the principal strikes called in China during 1925, concluding his article as follows:

From the standpoint of the labor movement, the year 1925 was characterized by (1) its nation-wide character, (2) the number of successful strikes, and (3) the radical nature of the demands put forward. In addition to the general demand for higher wages and better treatment, the 1925 strikers insisted upon the official recognition of the labor union and protested against the dismissal of union members without proper reasons and the concurrence of the union. A good deal of pressure was also brought to bear upon the authorities for the promulgation of an adequate set of labor laws. The Peking government took a firm stand against these labor unions, and the much desired labor law had not been promulgated up to the end of the year, although several drafts had been prepared and brought before the cabinet meetings for consideration. [I would insert at this point that the military success of Wu Pei-fu and Chang Tso-lin, both of them strongly anti-labor, has further delayed institution of a national labor code.] On the other side, the Canton government and the Kuominchun authorities were inclined to lend support to the movement and extend material help either openly or by non-interference. The most drastic measures for dealing with the strikers were carried out by the Mukden military authorities (i.e., Chang Tso-lin and his subordinates).

The students played a considerable part in leading the agitation, creating general labor unrest throughout the country. Notwithstanding the varying success and failure of the numerous strikes, it is undeniable that the labor groups have taken a definite step forward in effecting better organization and using more intelligent methods of propaganda. They have also established a connection with the general world of labor, received much vocal and press support therefrom, and the Chinese labor problem has thus, in a measure, become a question of international importance.

It is easy to comprehend from the foregoing article that the Chinese labor movement, with its promise of

growth from local to provincial and then to national organizations, is another factor of national unification which is in reality more important than the disagreements among the Tuchuns. Many minor instances of the same trend could be cited, one of the most interesting being the emancipation of Chinese women from the fetters of tradition, which may seem to have no political significance but is none the less important in readjusting social, and therefore political, life in accord with the demands of the modern world. It was a surprise to me to find Chinese women students doing advanced research in physics and chemistry at the National University in Peking, but before many days of social investigation the incident did not seem unusual. In Shanghai the Women's Commercial and Savings Bank is not merely staffed, but was launched, by Chinese women. The Canton Telephone Administration has women operators. In every city the sex is going by hundreds into industrial, commercial, financial, and even professional life, not merely in subordinate but in executive capacities. The development is having a clear effect in encouraging that national self-assurance which is a very healthy, though to some a very irritating, symptom of modern China.

But of all the factors contributing to political unification in China the most important, without question, is the thirst for modern education which now animates so large a proportion of the population. And by modern education is not meant slavish imitation of foreign systems but, as Dr. Hu Shih has put it, "the rebirth of an old civilization under the influence of a new impulse and a new attitude which direct contact with the ideas and methods of the modern world has produced."¹

In a country as rich and prosperous as America the obstacles confronting this "Chinese Renaissance" are

¹"The Chinese Renaissance," *Bulletin 6* of the Chinese National Association for the Advancement of Education (1923).

difficult to comprehend. In the month of December, 1925, the Ministry of Education, which is theoretically charged with the supervision of the modernization of instruction in China, received as its share of federal income something under \$2,000. Clerks and typists whose salaries had been in arrears for as much as twenty months were rewarded for their patience with individual pay envelopes with contents averaging about two dollars each.

It is obvious that state-aided institutions are likely to be in a sorry situation in a country where the central government has no money at all for education, and where a great majority of the provinces and townships are in exactly the same position. Unquestionably many of the excesses which conceal the value in student agitation are partially due to a lowering of morale caused by acute financial difficulties at the government universities. But these excesses are secondary to the self-sacrifice in behalf of learning which intelligent youth in China today accepts as a matter of course. During an inspection of the National University at Peking in mid-January I commented to my student guide on the piercing cold of libraries and class rooms. He replied, as though it were a casual matter, that confronted with a choice between having coal and having textbooks, the undergraduates had unanimously petitioned for the mental form of fuel. I could not help contrasting this with the prevalent Treaty Port argument that the Chinese are not to be trusted with the increase of revenue which tariff autonomy would bring.

While institutions nominally "state-aided" are struggling along without either aid or anything that can legitimately be called a state as Occidentals understand the word, the status of most of the missionary colleges and schools is changing. Though the financial worries of the latter are not similarly acute, their position is

rendered difficult by the increasing student objection to foreign control over curriculum and by the developing scepticism, if not actual hostility, towards Christianity, at least as practiced by the modern churches. The Chinese Anti-Christian Union, which seeks to define Christianity as the spiritual arm of foreign economic imperialism, is nothing like as powerful as its adherents claim. But a conviction that Christian doctrine is not a vital factor in the policy of western nations, and that foreigners are more anxious to see the Chinese practice it than to observe it themselves is practically universal among the nationalistic students with whom I have spoken. Most of the educational missionaries appreciate the strength of evidence behind this viewpoint, and are rising handsomely to meet the problem by progressively relinquishing control in their schools to the Chinese. But the transition period, for all its vital importance, is not one leading to the best educational results.

In spite of all these difficulties the interesting fact remains that the passion for learning among the Chinese people was never more adequately met by educational facilities than is the case today. Just prior to the Revolution of 1911 there were but fifty institutions above high-school grade in China, with a total enrolment of under nine thousand students. The number of colleges in this classification has now grown to 125, with about forty thousand students. Before the revolution not 1 per cent of the population was able to read and write. Now, after fifteen chaotic years, the literacy average for the entire country is closely estimated at 15 per cent, rising to 50 per cent in the "model province" of Shansi. And it must be remembered that it means something to be literate in China, where a familiarity with four thousand separate characters is necessary for everyday reading.

How progressive improvement in both elementary and higher education can coincide with a progressive deterioration in the authority of government is an interesting problem for students of political science. The seeming paradox certainly exists in China. But if one bears in mind the Chinese mistrust of and distaste for centralized government, it will go far to explain how a remarkable educational advance has been achieved in spite of the powerlessness and poverty of unstable administrations in Peking. The Ministry of Education directs a general scheme of public instruction, but professional educators and other volunteer workers determine to what extent the bare scheme shall be put in force in the localities where they work, and also to what extent it shall be improved upon.

Thus one finds now operating in most of the larger cities of China, and to some extent in rural districts also, the "Thousand Character" adult education movement, designed to give illiterates who have no other educational facilities available a foundation for reading in four months' time. This movement, carried on with governmental sanction, and varying provincial support, was originated by the Chinese Y M C A for the Chinese labor corps in France during the World War, and is now carried on by voluntary local committees. Many of the war lords, particularly the Christian General, have encouraged the project because of the benefit accruing to soldier students. And while the difficulty of linking those who have taken the courses with systematic continuation work is unsolved, the general success of this spontaneous local movement against illiteracy is indubitable.

Then, at the other end of the educational ladder, are found such organizations as the recently organized "China Foundation for the Promotion of Education and Culture," of which Fan Yuan-lien, a former Minister

of Education, is director. Operating on funds at present largely obtained from the last American Boxer indemnity remission, this foundation allocates a part of its income, setting aside the remainder for endowment, to the forwarding of scientific research in institutions of standing throughout the country.

In between these two samples of current educational activities, selected merely as illustrations from many that might be cited, come numerous local, provincial, and national efforts, of, by, and for Chinese, designed to train the national intelligence to cope with modern problems. Most of them are coordinated and, so far as desirable, unified through efforts of the Chinese National Association for the Advancement of Education. And in not a single year of the protracted political disorder has any province failed to send its delegates to the conferences of the National Federation of Provincial Educational Associations.

Education, commerce, labor—to cite but three outstanding forces—are surely and steadily knitting China together. It is more than advisable—it is essential—to remember when accounts of civil strife and disorder are nearly all one reads in the daily press from this great country, that under the surface these great movements are making headway all the time.

CHAPTER XIII

OUR OWN COLONIAL PROBLEM

As one begins consideration of the problem which the Philippines have become for the United States it is worth remembering that independence advocates there can invoke history to point to a moral for their cause.

In 1776 it took as long to journey from London to the far-flung American colonies as in 1926 it takes to reach the scattered islands of the Philippine Archipelago from Washington. A century and a half ago English military and commercial interests had succeeded in dictating, with arguments which at the time seemed fairly valid, what policy the governing nation should exhibit towards the governed. The official American attitude in the Philippines seems now on the highroad to determination by similar factors.

In 1776 the Continental Congress stirred English Tories to mingled wrath and ridicule by asserting that "all men are created equal," that "they are endowed by their Creator with certain unalienable Rights," that "to secure these Rights, Governments are instituted among men, deriving their just powers from the consent of the governed," and that "whenever any form of government becomes destructive of these ends, it is the Right of the People to alter or abolish it, and to institute new Government."

Nowadays every move of the Philippine Legislature which is actuated by processes of reasoning, or sentiment, similar to those that animated the signers of our

Declaration of Independence, is for many Americans in the Islands a subject for sarcasm and mockery. Let us quote a typical editorial from the *Manila Times* (American owned and edited) as evidence. Entitled "Excess Baggage" and appearing in the issue of February 17, 1926, this sample—by no means an extreme example—ran as follows:

It is a paradox that our legislature takes itself so seriously, when legislatures in most countries have been abolished. The interparliamentary union of Europe now consists of Mussolini, Rivera, Hindenburg, and whoever is on top at the moment in France. It works out well, with Latins at least. Just when Italy and Spain have been pigeonholed as decadent, they take on a new lease of life. Latins do better with a dictator than with parliaments. Filipinos do too.

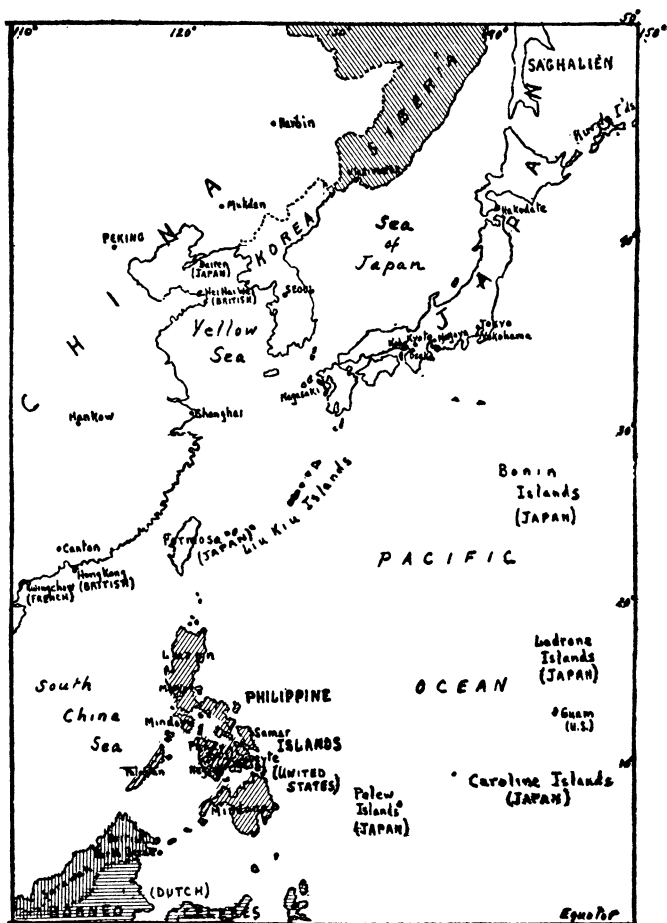
The purpose of these comparisons, it goes without saying, is not to try and force an historical parallel where none can legitimately be drawn. It is merely to illustrate, at the outset of our inquiry, that from the viewpoint of many Filipinos there is much that seems contradictory, hypocritical, and therefore doubly irritating in the way the heirs to the ideals of colonial America are handling America's first grave colonial problem. And this realization belongs at the beginning, for it is basic to the restiveness and sullen attitude now beginning to be apparent towards Americans in the islands.

Manila itself, a metropolis with a present estimated population of 315,000, is two days' leisurely steaming due southeast from Hongkong across the languorous South China Sea. Other places in the archipelago, however, are much closer to foreign territory. The northernmost island of the group is on the twenty-first parallel north latitude, only sixty-five miles from the Japanese territory of Formosa. The southernmost island, not five degrees north of the equator, lies only thirty miles east

of British North Borneo. The Philippine Archipelago, containing 7,083 separate islands, large and small, and extending 1,152 statute miles from north to south, is geographically the southern half of the great chain of islands paralleling the coast of Asia from Siberia to the equator. This key position athwart all Oriental trade routes gives to the Philippines strategic and commercial importance potentially greater than that possessed by Japan, forming the northern half of the aforesaid island chain.

It is easy to underestimate the size of our great dependency in the Far East. The total land area of the archipelago is 115,026 square miles, almost identical with that of post-war Italy, or with the combined areas (land and water) of the states of New York, Pennsylvania, New Jersey, and Maryland. Luzon, the biggest island of the archipelago, is as large as Denmark, Belgium, and Holland combined. Mindanao, the second island in size, is about equal in area to Portugal. Ten of the Philippine Islands contain more than one thousand square miles each.

Compared with most of the adjacent countries, the Philippines are not thickly inhabited. The last official census (December 31, 1918) showed a total population of 10,350,640, and the present-day figures are probably not much in excess of 11,000,000. While this is a greater population than that possessed by Canada, and far greater than that of huge Australia, its density is much less than that of Japan, China, India, or the Dutch East Indies. At the same time it is worth remembering that the Philippines average about ninety-five persons to the square mile as against less than forty to the square mile in the United States. With the exception of the Chinese, of whom there are some 50,000 in the islands, controlling a very large proportion of all retail commerce, the foreign population is small. There are



THE FAR EAST

The map covers the area from 50° north latitude to the equator, and from 110° to 150° east longitude. Territory subject to white nations is shaded.

about 7,000 American civilians, less than 8,500 Japanese, 4,000 Spaniards and 1,000 English. People of other nationalities are negligible in number.

There are, however, close to a million Filipinos of mixed blood, known as Mestizos. Over half of these represent the Chinese admixture, while those with a considerable proportion of Spanish or other European blood come next in frequency. The American Mestizos are not yet a factor of considerable importance, not because such children are rare but because it is not yet a generation since the American annexation. There is little doubt that relative to total numbers the Chinese and Spanish Mestizos furnish a disproportionately high ratio of leaders in every line. The Chinese strain seems to contribute a business acumen and energy lacking in the pure Malay stock. The Spanish strain seems to provide a brilliancy and egoism which is often irritating to the less showy Anglo-Saxon nature. How the American Mestizo will turn out the future will show. In general this mixture does not appear very promising, though the furtive nature of the parental union rather than biological causes is probably responsible for this.

Much effort has been spent in trying to prove that the Filipinos are not a homogeneous race. The thesis is difficult to maintain, except in so far as the Mohammedan and semi-savage Moros are concerned. Whatever may be said against the Spanish policy in the islands the fact remains that three and a half centuries of Spanish rule both Christianized and unified the Malay population to a high degree. The Spanish churches, many of them beautiful old buildings, are still the focal point of civic life in towns and villages throughout the islands, and outside Manila the influence of the Spanish period is still much more pronounced than that of the American régime. The Moro problem and the different dialects prevalent in different sections are cited with

more energy than effectiveness to prove that the Filipinos are not to be trusted with a greater degree of self-governments. The former is diminishing in intensity every year, which is natural when one considers that the Christian Filipinos outnumber the Mohammedans more than twenty to one. And the language difficulty has been greatly exaggerated, most of the eighty-seven different dialects on which such stress is laid being very closely related to one another. At present, about one-quarter of the population reads or understands English, which in another generation will have become the universal language, with Spanish probably continuing as a second tongue among the educated for literary and social purposes.

On the character of the Philippine people the report of the Wood-Forbes Mission of 1921 is particularly valuable, because the general conclusions of this document cannot be called sympathetic to Filipino claims. In the section of this report dealing with national characteristics Governor-General Wood and former Governor-General Forbes, both firm advocates of retention, wrote as follows: ¹

The Philippine people possess many fine and attractive qualities—dignity and self-respect, as shown by deportment, complete absence of beggars, personal neatness and cleanliness, courtesy and consideration to strangers and guests, boundless hospitality, willingness to do favors for those with whom they come in contact. . . . They are happy and carefree to an extent seldom found among other peoples, keen to own their land, strongly attached to their homes and their children, proud of and devoted to their beloved Philippines; they are free from worries arising from international difficulties and responsibilities; they are refined in manner, filled with racial pride, lighthearted and inclined to be improvident, as are all peoples who live in lands where Nature does so much and people require so little. In many positions they have shown marked capacity and have done better than could reason-

¹The latter part of this section of the report is omitted, as points therein are covered elsewhere in this and succeeding chapters. The footnotes on the report are mine.

ably have been expected of an inexperienced and untried people. There are many holding high positions in the judicial, executive, and educational departments who would be a credit to any government. They are proud, as they well may be, of the advance they have made since the beginning of American control of the Islands, for it can be safely stated that no people, under the friendly tutelage of another, have made so great a progress in so short a time. . . .

They possess active minds, their children are bright and precocious and learn rapidly. The whole people have a consuming thirst for education, and, as is common among those who have had little opportunity and much hard work, there is a leaning towards the learned professions or occupations which do not involve severe manual labor, and a tendency to underestimate the importance of agriculture and the dignity of labor, and to overestimate the standing given by the learned professions.

Their support and aid in the building up of public education is beyond praise. They have sacrificed much that their children might be able to go to school, and the interests of an entire family are often subordinated to sending the selected member to a higher school or university. Schoolhouses are often constructed by voluntary contributions of labor, money, and material. There is a serious lack of educated public opinion, for as yet the Philippine public is not a reading public, and there is a lack of a strong independent press, although there has been a great advance in this respect during recent years, and there are several outstanding independent papers of great local influence. The daily total circulation of all Island papers is a little less than 140,000, and in the remote provinces people still depend largely upon the circulation of news by word of mouth.¹ The Philippine people are readily led by those who understand them. They make brave soldiers, and under good leaders make excellent troops. Due to the lack of a well-informed public opinion they are easily swayed by their leaders. As a result of generations of disregard for sanitary measures, they are still rather Oriental in their attitude toward diseases and questions of public health and sanitation. This indifference is being rapidly corrected.²

The Filipino woman is a strong and dominating influence in every home and community; she is modest, loyal and hard working, and while not much in evidence she is nevertheless always to be reckoned with. . . . The establishment of a large number of women's clubs, that concern themselves with hygiene and other civic matters, is a most encouraging sign of the times.

¹Total newspaper circulation now (1926) is estimated at 200,000. The literacy of the Filipino people is about 40 per cent, or more than twice as high as that of China.

²Under native health officers the death rate (17.5 per 1,000 in 1923) has been brought lower than that of Japan, Spain, or Italy.

But more important than the character of the Philippine people, in the eyes of many Americans, is the character of Philippine resources. It hardly needs to be stated that the campaign to nullify our repeated promises of eventual independence for the islands has intensified *pari passu* with appreciation of their commercial value. As yet, as the following foreign trade statistics for representative years indicate, this potential value is far from being realized:

U. S. Fiscal Year	Imports from U. S.	Other Imports	Total Imports
1905	\$ 5,761,498	\$25,114,852	\$ 30,876,350
1910	10,775,301	26,292,329	37,067,630
1915	22,394,381	22,085,480	44,479,861
1920	80,374,530	42,757,581	123,132,111
1925	64,466,117	52,765,548	117,231,665
1926	69,957,871	47,679,241	117,637,112

U. S. Fiscal Year	Exports to U. S.	Other Exports	Total Exports
1905	\$ 15,668,026	\$16,684,589	\$ 32,352,615
1910	18,741,771	21,122,398	39,864,169
1915	23,001,275	27,913,786	50,915,061
1920	84,186,048	68,195,193	152,381,241
1925	101,254,536	38,822,269	140,076,805
1926	102,831,205	38,213,225	141,044,430

The mineral resources of the islands, believed to be of sizable quantity in gold, coal, and iron, though deficient in nearly all other metals, are still a virtually unexploited field. The production of gold is at present most important, but the value of this mineral extracted was only \$1,330,000 in 1921, and \$1,711,000 in 1923. Coal production is second in importance among the mineral industries, yet is in fact virtually negligible. The entire island output during recent years has averaged little over 40,000 tons per annum, or about the same

as the production in four days of the Japanese-operated Fushun mines in Manchuria. Ten tons of coal are imported from Japan, China, and Australia, for every one produced in the Philippines. Iron mining is in a still more primitive and undeveloped state, with a total domestic cast-iron production valued at only \$25,000 in 1923. Whatever the future may hold for the development of Philippine mineral resources, and it is a future subject to scepticism, the present value of the islands in this direction is absolutely trivial.

When we turn to agriculture, which has been, is, and always will be the chief source of Philippine wealth, a more roseate prospect opens. The leading agricultural products, with their approximate value when ready for marketing, were in 1924 as follows: sugar, \$53,000,000; copra, \$29,000,000; abaca (Manila hemp), \$21,000,000; tobacco, \$6,000,000. The greater part of these products are exported. Rice, and to a lesser extent corn, takes more acreage than any of the above, but are altogether products of domestic consumption.

The Philippines rank tenth among the sugar-producing countries of the world; eighth in tobacco production; and first in the raising of cocoanuts, furnishing approximately one-third of the world's supply of copra. The natural monopoly of first-class abaca, an unequalled cordage fiber, is of great value to the islands. The lumber industry, also, is developing and beginning to show up in the export statistics. Yet on the whole the underdevelopment of agricultural and forest products is pronounced. In Japan, where not more than 20 per cent of the land is arable, practically every acre that can be brought under cultivation is being utilized. The situation in the Philippines is diametrically opposite. Of the 30,000,000 hectares¹ in these islands it is prob-

¹ A hectare equals 2.471 acres.

able that at least 50 per cent could readily be made highly productive, yet at present only about 3,700,000 hectares are under cultivation. An acreage half as large again as this consists of grass and open land, easily arable but quite untouched.

In sugar, for instance, the Philippine Islands, with three times the area of Cuba, achieve but one-tenth the production of the Caribbean country. Hawaii has 6,449 square miles as against the 115,026 square miles in the Philippines; has a population of 256,000 as against some 11,000,000 Filipinos. Yet Hawaii produces more sugar than the Philippines, for all that conditions in the latter are highly favorable to growth of the cane. In 1924, nearly ten thousand Filipinos emigrated to the sugar plantations of Hawaii, clearly indicating the maladjustment in the development of domestic resources. The question arises: Has any country in these crowded times the right to be as indolent in self-development as are the Philippines?

This is the vital question which has been made an outright issue by the increasing demand for, and the increasing cost of, rubber in the United States. And here, of course, the military argument coincides with the commercial. It does not worry the War Department that Filipinos should be indifferent about the development of their coal, their sugar-cane, their cocoanut and tobacco plantations. We do not need the Islands for the development of national self-sufficiency in these respects. But rubber is a vital element in modern warfare in which we are at present almost totally dependent on foreign countries. And the action of the British government in restricting the rubber output of British Malaya and Ceylon, and taxing all exports of rubber from these countries, has brought a strong commercial backing to the military viewpoint. It is to be remembered that the United States now consumes 75 per cent

of the world supply of rubber, and that 80 per cent of the world supply comes from British Malaya, adjacent to the Philippines.

The rubber potentialities of the Philippines are beyond dispute, and, as is indicated by the following table of the quantities and value of the product exported in recent years, production has already passed the experimental stage:

Year	Kilos Exported ¹	Value in Dollars
1913	139	173
1915	33,001	11,935
1917	29,829	40,099
1919	86,803	70,034
1921	40,627	12,850
1923	39,049	23,037
1925	140,827	87,428

While rubber can be grown, and economically grown, anywhere in the Philippines, the best area for the purpose is that lying between the fourth and eighth degrees north latitude, or below the typhoon belt. This area includes most of the great island of Mindanao, and the smaller islands of Basilan, Jolo, and Tawitawi, on the first-named of which several plantations are already operating. A pamphlet on rubber issued by the Philippine Department of Commerce says:

Mindanao combines all the qualities that make for a prosperous rubber-producing district. What is needed is an adequate supply of capital to make it so. Foreign and native capital should co-operate in exploiting this promising and profitable industry. We have the necessary labor supply for the purpose and there is no shortage of it, as many claim. Hundreds of Filipino laborers are emigrating to Hawaii every year, and there are now thousands of them in that country working in pineapple and sugar plantations. . . .

¹ A kilogram equals 2.2046 pounds. Experts of the U. S. Department of Agriculture have estimated the potential rubber production of the Islands at 70,000 *tons* yearly. Even this figure, however, is slightly under one-fifth of the present annual consumption of raw rubber by the United States.

Land is also obtainable on liberal terms. The Insular Government leases¹ through the Bureau of Lands to any private individual, corporation, or entity parcels of land not to exceed 1,024 hectares (2,500 acres), at a payment of 3 per cent of the assessed value of the land, per annum. It is also selling land, not to exceed 100 hectares to a private person, and not to exceed 1,024 hectares to a corporation, from 10 pesos (\$5) per hectare and up, according to the locality and condition of the land. If a greater area is desired the Philippine Legislature may, by special legislation, authorize the sale of a greater area, or permit the lease of any amount of land owned by the insular government for a longer term of years, as was done in the case of the Mindoro Sugar Company.

In the above paragraph are summarized the most important features of the famous Philippine Public Land Law, approved November 29, 1919, and somewhat amended in 1925, which is at present arousing such bitter controversy. The overwhelmingly predominant Filipino attitude is that restrictions on the alienation of the enormous public domain² are essential, in order to prevent ruthless exploitation of the Philippine people. All the restrictions, it should be noted, are identical for Filipinos and Americans, corporations organized under the laws of other countries being prohibited from acquiring agricultural public land. The overwhelmingly predominant attitude of American business men in the islands, on the other hand, is that the limitation of corporate ownership to 2,500 acres is a prime factor in checking the investment of American capital and hampering the development of the islands. In the case of a rubber plantation, for instance, that limitation on acreage means that no single company can under the letter of the law hope to produce beyond a maximum of 500 tons annually. That quantity is insufficient to attract the big American rubber manufacturers.

¹ Leases may run for a period of twenty-five years, renewable for another twenty-five years or, in case of important improvements, for fifty years.

² Estimated at 63,000,000 acres, of which a large part is in Mindanao.

Quite naturally it follows that the Philippine Land Law, taken in conjunction with the potential American market for Philippine rubber, is now the most instrumental cause behind efforts to restrict Philippine autonomy. The argument is very simple: restrict or abolish the powers of the Insular Legislature and that body will no longer be able to restrict American business or to keep out an influx of cheap labor from China and the East Indies, as it does now by various restrictive laws. As the Journal of the American Chamber of Commerce in the Philippines phrased it recently: ¹

Let Congress . . . give us an actual unquestioned form of territorial government, with a Governor . . . preferably from the western part of the United States . . . who can look at a mountain and tear its guts out for the mineral it contains. . . .

The unforgivable crime of the Filipinos, from this American business viewpoint, is that they have not the faintest desire to see the "guts" torn out of their mountains, their forests, or their fields in order to please our Babbitts. Indeed, a fear of this ruthless, efficient "gut-tearing" civilization is shadowing the lives of the Filipinos and greatly contributing to the strength of the independence campaign among the educated classes. Nor is this fear on the part of a race which acknowledges itself lacking in physical stamina and enterprise a subject which can be dismissed by tabulation of the unquestioned material, educational, and social benefits which American sovereignty has conferred upon the Philippines.

A prominent Filipino doctor said to me one night as we sat beneath the Southern Cross gleaming over one of those menaced mountains:

We have seen how the red Indians, the Hawaiians, and the South Sea Islanders have successively succumbed to the pressure

¹ Issue of February, 1926, p. 6.

of your business, the iron march of your industrialism. For you the Philippine question is answerable in terms of more dollars and more national power. For us it is a matter of life or death.

We are the weaker race. We do not claim that our civilization is as efficient as yours. We do claim that American business has no right to mold our future regardless of all the conditions of our happiness, treating your pledges of the past like scraps of paper. That is why every educated Filipino supports those leaders to whom Americans like to refer slightly as our "politicians." That is why I gladly donate 10 per cent of my small salary to help maintain our Independence Mission in the United States.

CHAPTER XIV

AN ANOMALOUS GOVERNMENT

American unfamiliarity with the constitutional status of the Philippines is well illustrated by the surprise with which many learn that the Prohibition Amendment has no force whatsoever in the Archipelago. Neither has any other amendment, nor the original body of the Constitution, except in so far as parts of it may have been specifically legislated for the Philippines. Constitutionally the Philippines are not a part of the United States. Yet they are American territory and other nations cannot deal with them as a separate government. As has been said: "The Government of the Philippine Islands is a government foreign to the United States for domestic purposes, but domestic for foreign purposes."¹ Filipinos are not American citizens, but owe allegiance to, and are under the protection of, the United States.

Since the Philippines are subject to the United States, but without the guarantees of the American Constitution, it follows that the power of Congress over the Islands is absolute. At any time, by a mere majority vote in both Houses followed by the customary Presidential approval, our Congress can completely alter the basic law and political status of the Islands. "Congress," as one of the leading Filipino authorities on constitutional law has written, "can keep the Philippines in perpetual dependency, convert it into a State of the

¹ Quoted by KALAW: "The Present Government of the Philippines," p. 112.

Union, or declare it free and independent.”¹ The record shows that our Federal Legislature has so far been scrupulously careful to exercise this enormous power over an alien people cautiously. But the fear of what Congress may do—a fear which is quite comprehensible in view of the general ignorance of our Senators and Representatives on Philippine sentiments and conditions—is a constant source of anxiety to the educated islanders. Much of the energy of the so-called “Independence Mission” in Washington is occupied with combating ill-judged bills on Philippine matters. Such legislation, of course, can at any time be introduced at the behest of interested American groups.

There is something patently un-American in our failure to give any constitutional guarantees or safeguards to the people of the Philippines. The advertised autonomy of the Islands cannot be regarded as very real when one remembers the unlimited power which Congress reserves to undo at a stroke the accomplishments of the Philippine Legislature. The Jones Law stipulates (Section 19) that “all laws enacted by the Philippine Legislature shall be reported to the Congress of the United States, which hereby reserves the power and authority to annul the same.” The Insular Legislature itself could, it appears, be wiped out of existence if the President of the United States and a bare majority of Congress felt at any time that such a reactionary step was desirable. Nominally autonomous, the Philippine Islands have in reality much less-guaranteed self-government than an American state. They have not even a vote in this Congress which is a sword of Damocles above their heads, for the Resident Commissioners chosen by the Insular Legislature can speak, but cannot participate in a division on the floor of the House of Representatives.

¹ MAXIMO M. KALAW, *op. cit.*, p. 113.

Historically, it would appear that the reason for the absence of any constitutional status for the Philippines is our oft-reiterated pledge to give them complete independence. Permanent guarantees would have been superfluous for the temporary American administration which was designed. And that the design was for purely temporary American control there is not the faintest shadow of doubt, the only issue originally being as to the length of time for which that control should be exercised. The advocates of independence are able to quote numerous statements of acceptance in that end by Presidents McKinley, Roosevelt, Taft, and Wilson, which is perhaps not quite fair unless certain qualifying observations (fully quoted in their turn by advocates of retention) are included. Moreover, expressions of executive opinion, as Europe has come to realize since the Treaty of Versailles, are in no way legally binding on the United States.

The preamble to the Jones Law, passed by both Houses of Congress in 1916 and approved by President Wilson on August 29 of that year, may, however, be legitimately regarded as the definite pledge of the American people on the subject. That preamble, following a title which defines the law as, "An Act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," reads as follows:

Whereas it was never the intention of the people of the United States in the incipency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and

Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them

without, in the meantime, impairing the exercise of the rights of sovereignty by the people of the United States, in order that, by the use and exercise of popular franchise and governmental powers, they may be the better prepared fully to assume the responsibilities and enjoy all the privileges of complete independence: Therefore

Be it enacted, . . . etc.

At the present time it is being argued, in a way unpleasantly reminiscent of the famous "scrap of paper" incident, that the preamble of a law is not a part of that law, and has, in consequence, no legal force. Even though true, the technicality is not wholly effective. The issue is one in which Philippine opinion ought to be consulted as much as American. To the Filipinos the Jones Law is more than an organic act establishing a semi-autonomous government in the Islands. It is regarded as a Treaty in which the Title and Preamble, deliberately set down and passed by Congress, are as important as what follows. And, so the dangerous argument may now be heard, if the preamble to the Jones Law is not binding on America, neither are certain provisos of that law necessarily binding on us. The reference, generally, is to that part of Section 22 of the Act which states specifically that: "All executive functions of the government (of the Philippine Islands) must be directly under the Governor-General or within one of the executive departments under the supervision and control of the Governor-General."

It is at this point that—entirely regardless of the independence issue—the Jones Law breaks down as a permanent instrument of government. This organic law provided for the establishment of a Legislature, composed of a House of Representatives with ninety-one members and a Senate with twenty-four members.¹ It

¹ Nine members of the House and two Senators, all from the non-Christian districts, are appointed by the Governor-General. The remainder are elected under manhood suffrage.

authorized improvement in the executive side of government so that there were subsequently established six departments,¹ with subordinate bureaus, corresponding to the principal domestic purposes of a modern nation. But it failed to settle in any clear-cut way the basic issue of the responsibility of the department heads. The secretaries were at one and the same time made subject to the influence of the native Legislature, and told that in their executive functions they were completely subordinate to the control of the American Governor-General.

Most obviously such a system could only work well as long as there was complete harmony between Legislature and Governor-General. There was such harmony under Francis Burton Harrison, Governor-General from 1913 to 1921. There has been anything but such harmony under the régime of Major-General Leonard Wood, Governor-General since 1921. The reason for this difference is not primarily a matter of individual personality, mistakes, or virtues. It lies primarily in the fact that Harrison did his utmost to forward the Filipino claim to control over the executive, which Wood has as persistently blocked. The former sought to reduce the practical values of his office in favor of the ceremonial, conceiving this to accord with the spirit of the Jones Law. The latter has refused to abdicate any part of the functions which the letter of the Jones Law entrusts to him. Shrewd observers will see in the contrast between the two administrations, each of them quite defensible under the organic Act, a proof that this Act will not serve much longer as the basis of Philippine government.

Indeed, the unsettled constitutional status of the Philippines must be appreciated before justifiable criticism

¹ Interior, Public Instruction, Finance, Justice, Agriculture and Natural Resources, Commerce and Communications.

of American administrative methods out there can be passed. The very rapid Filipinization of the islands under the Harrison régime was bound to make the task of the present Governor-General a thankless one. Judging purely by the policy followed during President Wilson's two terms of office, the most logical action for Mr. Harrison's successor would have been to pull down the American flag and pack up. "Reactionary" is after all a relative word, and it is well to realize that General Wood is reactionary to the Filipinos not so much because he pulls backward, as because he gives a conservative rather than a liberal interpretation in all the vexed cases where varying interpretations of the Jones Law are legitimate.

Illustrative of the point is Governor-General Wood's frequent use of the veto power, which was exercised by Governor-General Harrison just five times during the five years of his stay after the passage of the Jones Law. General Wood has no scruples about employing his veto power lavishly,¹ even in matters of purely domestic concern, but maintains that he has never used it without the most complete confidence that his action was justified. And it does seem significant that while the Philippine Legislature can by a two-thirds vote send a vetoed bill directly to the President of the United States for decision, such action was taken with only one measure out of all those blocked by Governor Wood up to the 1926 session of the Legislature. Shortly after the convening of the 1926 session, however, a resolution calling for a plebiscite on the independence issue was promptly repassed by both houses of the Legislature after veto by the Governor-General as outside legislative authority.

¹ General Wood vetoed twenty-one bills in the first two sessions of the Legislature under his administration. In the 1925 session the proportion was approximately one bill vetoed out of every three sent to him for signature.

This issue of the exercise of veto power is really a fundamental in the whole Philippine problem. When the Governor-General vetoes a bill which may, even remotely, affect legitimate American interests he in no way contravenes the spirit of the Jones Law. But when he vetoes measures of purely domestic concern, as in the recent effort to revise the divorce laws of the islands, he makes himself a predominant part of the Philippine legislative machinery in a way which certainly seems inconsistent with the degree of autonomy the Philippines theoretically possess. It has been Governor-General Wood's viewpoint that the Filipinos are only potentially, not yet actually, capable of self-government and that he is, therefore, completely justified in blocking their legislative course at any point where his reason tells them they are in shoal water. It is the Filipino viewpoint that whether their elected representatives always show impeccable wisdom in purely domestic matters is none of the Governor-General's business. Feeling in this issue has become very bitter, and will become increasingly so until the constitutional uncertainty which surrounds it is clarified by the American Congress.

It may be stated without qualification that the Filipino people will never be a satisfied and contented community within the American Empire until they are given real home rule. And the form of home rule must be based upon the English system of cabinet responsibility to the legislature rather than the American system of divided authority. The racial difficulty plays its part in deciding this choice, for the Filipinos will consider themselves a subject people as long as an American Governor-General is allowed to hold the whip hand over a native legislature. But rational political theory which has not failed to notice the grave defects arising from



SENATE PRESIDENT QUEZON

The brilliant leader of the Independence Movement relaxes on shipboard during an inter-island propaganda trip.



MRS. ROSA SEVILLA DE ALVERO

The president of a girls' seminary in Manila who urges her countrywomen to work peacefully but ceaselessly for independence.



our separation of governmental powers¹ plays a more important rôle.

Moreover, the parliamentary system of cabinet responsibility, now nearly universal among all nations with democratic government except the United States, is rooted in Philippine political tradition. The Malolos Constitution of the short-lived Philippine Republic provided for an outright parliamentary system of government. The Philippine Commission, which governed the islands from 1901 to 1916, combined executive and legislative functions. The fact that the present system does not adequately harmonize with the trend of native political thought was mainly responsible for the creation of the Council of State during the Harrison régime, on which the President of the Senate and Speaker of the House as well as Department secretaries were represented. The present Supreme National Council is another instance of the ceaseless effort to reduce the authority of the executive, failing constitutional provisions to make him responsible to the Legislature. Just as the English parliamentarians of the past worked ceaselessly to limit the authority of the king and make him a largely ceremonial figure, so will the Filipino spokesmen work to contravene dictatorial powers of the Governor-General until such time as answer is given to their plea for an executive responsible to the people through the agency of a duly elected Legislature.

When this constitutional situation is understood, and not concealed by stupid attempts to stigmatize the native leaders as "politicians"—absurd when we recall that it is our own "politicians" who in the last analysis have

¹Bryce, in his "American Commonwealth"; Beard, in his "American Government"; Ford in his "Rise and Growth of American Politics," and a host of other authorities have commented at length on the problems arising from our balance of power between executive and legislature.

absolute power over the Islands—it becomes desirable to analyze the various alternatives which lie open.

The first possibility is continuation of the *status quo*, the chief argument in favor of which is that the Jones Law has on the whole worked well during its ten years of operation. As opposed to this, however, is the fact that the present organic law is admittedly an *ad interim* measure, which will not serve indefinitely as the instrument of Philippine government. It has served its experimental purpose, and sooner or later must be improved upon in the light of experience. Knowledge by both Americans and Filipinos that the change must come is probably doing more to retard the economic development of the islands than would be the case if outright independence were granted.

There is, in the second place, the possibility of giving the Philippines a territorial status, similar to that of Hawaii or Alaska, a course strongly advocated by certain business interests because it would take from the natives virtually all control over their own affairs. Such a "solution" would be so diametrically opposed to all our pledges with reference to the Philippines, so certain to create an enduring and righteous hatred of America among all patriotic Filipinos, that it is almost incredible to find the course quite widely supported. While it is unlikely that American public opinion would ever subscribe to such a betrayal, the fact that it can be seriously considered helps to illustrate how crucial the Philippine problem has become.

A third possibility is to give the Islands the status of an American state, perhaps with certain qualifications such as freedom from the operation of the Federal Income Tax, or military conscription in time of war. There is certainly more to be said for this scheme than for that of territorial status, and early in the century it was advocated by the Philippine Federal party. That party

disappeared, however, when it could find supporters neither in the Islands nor in the United States. One of the many difficulties behind this possible solution is found in the problem of congressional representation. The population of the Philippines is as great as that of the state of New York, and increasing at least as fast. What would be the effect on our politics and public opinion (both white and colored) if a body of fifty brown-skinned legislators were given full powers in the House of Representatives?

Then there is the possibility of complete and untrammelled independence. That if this were granted the Filipinos would run their government at least as efficiently and as capably as is the case with the majority of Latin-American Republics is not open to serious doubt. That their continued independence, if not already assured, could be guaranteed by treaties of neutrality between the powers interested in the Far East is certain. By the fair minded the effort to make it appear that Japan would seize the islands if we left them must be regarded as in large part propaganda which, consciously or unconsciously, serves to obscure the real issues. The tropical climate of the islands is an absolute bar to Japanese colonization. Japanese economic penetration, as shown elsewhere in this book, is directed in an entirely different direction.¹ And the balance of power in the East would not permit Great Britain to sit idly by if Japan made any move of aggression against an independent Philippines.

The real argument against Philippine independence is not the chance that the natives would not be able to maintain it if granted, but the abundant evidence that essential Philippine desires and essential American interests can be harmonized without as yet attempting so drastic a solution. Opposition to independence may

¹ See Chap. V.

further be quite legitimately supported by the thesis that if the Islands obtained political freedom they would soon become economically subservient to some more business-like race; and by the argument that the problem of pagan minorities, while becoming less important every year, would still prove a grave difficulty for a fledgling republic. Most of the other points raised in opposition are based on biased self-interest rather than dispassionate facts.

There remains the possibility of Philippine autonomy under American sovereignty, a status which may be defined as Dominion Home Rule, because in all essentials akin to that enjoyed by Canada, Australia, New Zealand, and South Africa within the British Empire.¹ Under this arrangement an American Governor-General would continue in office at Manila, but his powers would be supervisory rather than executive. The Filipinos would exercise their own executive authority in all domestic affairs through the agency of a Premier (or President, if they preferred that title) who with his Cabinet would be responsible to the Philippine Legislature. The American Governor-General would have more than ceremonial functions to attend to, for the United States would retain complete direction of the foreign policy of the Philippines. For that reason the Governor-General's veto power over Legislative acts would continue, but with the vital distinction that it could be exercised only against insular legislation legally definable as non-domestic. In specific controversies on debatable ground here it would seem that the United States Supreme Court, rather than the President of the United States as at present, should serve as arbiter for an overridden veto.

¹ An excellent source book on Dominion Home Rule is provided by H. E. EGERTON's "Federations and Unions in the British Empire."

In addition to reserving to the United States complete direction of Philippine foreign policy, and a limited veto power, the proposed arrangement would provide for the continuation of American military and naval bases; for a perpetuation of the present customs union insuring permanent free trade between the United States and the Islands; and for special American jurisdiction for a limited period over the non-Christian tribes. As has been stated, the Moro problem is one which is being automatically solved, in the main peacefully, by the steady Filipinization of the Mohammedan districts. For this reason any such legislation as the ill-judged Bacon bill,¹ aiming to create a permanently separate American-dictated administration in the southern (rubber-growing) provinces should be dismissed. An ironic commentary on the alleged high purposes of this measure was provided when Carmi A. Thompson, personal representative of President Coolidge, visited Mindanao in August, 1926. To quote *The New York Times* of August 24:

Some of the Datus (Moro chiefs) spoke against the Bacon bill and none for it. Sultan Rambin said, "Mindanao will fight and die rather than be separated from the Philippines." He added that the religious differences between the Moros and the Christian Filipinos had been exaggerated and were diminishing.

This viewpoint must not be taken as typical, for the Datus who favor American as against Filipino rule are in the majority. But as the real desire of most of these primitive, not to say savage, tribesmen is to oppose any civilizing tendency, the Bacon bill cannot be regarded as according with their wishes. American supervision in the domestic affairs of most of Mindanao, however, is unquestionably more desirable than in the other islands.

Perfection is not claimed for the Dominion Home Rule

¹Introduced in the House, June 11, 1926, by Representative Bacon of New York.

solution of the Philippine problem, but it is the writer's firm conviction that to all concerned it offers more advantages and fewer disadvantages than any other plan as yet brought forward. It would keep the American flag, and all beneficial American influences, in the islands. It would provide certainty instead of the present uncertainty for all legitimate and honorable business enterprise. It would give the Filipinos that command over their own affairs which is the just ambition of this peaceful, law-abiding, and lovable Christian people. It is in accord both with our public protestations and our past policies in the development of Philippine self-government. It would harmonize with the natural tread of the highly intelligent Filipino political thought, and it would at the present time be a solution entirely agreeable to a great majority of the people of the Islands and their leaders. Only an Act of Congress, improving and rectifying the Jones Law in the light of a decade's experience with its shortcomings, would be necessary to initiate the new régime.

The danger in the situation is that the present opportunity to secure a solution of the Philippine problem, permanently giving the United States more authority and privilege than we have in Cuba, may well be transient. No accurate parallel with the Irish difficulty as it developed for Great Britain can here be drawn. But there is much which Americans can learn from a consideration of the Irish settlement which would have been welcomed in 1890, and that which was made after so much bloodshed and bitterness a generation later. The Filipinos have before them clear-cut evidence that the Coolidge Administration seeks to curtail such autonomy as has been granted to them. There is Mr. Coolidge's suggestion to Congress that "more authority should be given to the Governor-General." There is the Kiess bill (H. R. 10,940) to confer upon the American auditor for

the Philippines powers greater than those possessed by our own Comptroller General. There is the second Kiess bill (H. R. 11,490) to provide the American Governor-General with special funds over which the Legislature shall have no control—a bill, said to have been suggested by General Wood, which strikes at the basic democratic principle of public control over the executive purse. There is the Bacon bill (H. R. 12,772) already referred to, which would detach a huge area of the most valuable Philippine territory from any semblance of popular control to open it for unhampered American exploitation. And there is the active campaign for curtailing Philippine self-government now carried on by the New York *Herald-Tribune* and other powerful administration newspapers.

Faced with many indications of a reactionary trend in the Philippine policy of the United States, it is small wonder that the Filipino position has hardened as ours has hardened; that the campaign for complete and untrammelled independence is being actively and successfully pushed to offset the American campaign for a reduction of native liberties. Soon, very soon, as the tides are flowing, the old American relationship of friendly guardian to the Philippines will have gone for good. It will be the guns of our warships and the superior equipment of our soldiers which will keep the Stars and Stripes flying above an embittered subject race.

CHAPTER XV

"PEACEFUL REVOLUTION" IN THE PHILIPPINES

On February 22, 1926, the newly formed Supreme National Council, dedicated to the cause of Philippine independence, gave the first public demonstration of its power. The day was deliberately chosen because of its association with George Washington and his record as the leader of a people striving against alien domination. On that "National Prayer Day" Filipinos throughout the length and breadth of the archipelago were asked by their own leaders to gather round the clergy, both Catholic and Protestant, and pray to "Almighty God, the Father of all Nations," for complete political separation from the United States. In hundreds of thousands, on all the sizable islands from Luzon to Mindanao, they did so.

A paragraph of the prayer, recited with equal fervor by American-educated professional men and barefooted rural children, is worthy of remembrance by all who would visualize the first really serious colonial problem which imperialistic America has been called upon to face. It ran:

We entreat Thee, O most Gracious Father, stay Thou the hand that would smite our liberties. Send forth Thy Spirit unto our rulers across the sea and so touch their hearts and quicken their sense of justice that they may in honor keep their plighted word to us. Let not the covetous designs of a few interests prevail in the councils of the sovereign nation nor sway its noble purposes toward our country.

There was contained in that prayer all the dignity, the piety, and the aspiration of a people who, whatever their shortcomings, are gentle, kindly, and lovable beyond most in this world. The wave of irritation which swept the Filipinos of Manila when an American paper there ridiculed their method of political protest was something unpleasant to witness. It made one realize the significance of statements made by old residents in the islands: that a definitely hostile attitude is replacing the friendliness and admiration in which Americans were once quite widely held.

On the same day, February 22, there was focussed on the Luneta, in Manila, where the Day of Prayer ceremonies centered spiritually if not numerically, a formidable American military parade in honor of Major-General James H. McRae, then about to end his term of service as Commanding General of the Philippine Department. By eleventh-hour negotiation the gathering of the thousands who sought spiritual fortification for the independence campaign, and the gathering of those prepared to resist rebellion with machine guns were held at different times on the same holiday. But just as Governor-General Wood thought that it was “damned impertinence” for the Filipinos to choose Washington’s birthday for their demonstration, so Senate President Quezon thought it “the tactics of a bully” to overawe the quiet native demonstration with military might. And there again is represented the racial hostility which grows apace in the islands under the present tension.

Two days later, on February 24, I boarded the little coasting steamer *Cebu* for a week’s trip through the Philippine Archipelago with the more prominent members of the Supreme National Council. It was the first propaganda trip of this body since, in January of 1926, it was created by a coalition of the two political parties in the islands with the express purpose of bringing the

independence issue to a showdown. And on this journey it was impossible not to realize the real tragedy of the Philippine problem, which is the way in which the native leaders are being forced to campaign for an end (independence), which many of them do not really want, because of the accumulating evidence that the United States seeks to deprive them of the degree of autonomy so far obtained. It is a natural bargaining process to ask for more than you expect in order to secure the golden mean. The danger in this case is that the Filipino people are being very successfully stirred up in behalf of complete independence at just the time when the President of the United States is publicly favoring measures designed to curtail native self-government.

As a means of solidifying and crystallizing Filipino public opinion in behalf of complete self-government, the scheme on which the Supreme National Council is working has pronounced theoretical impressiveness. It involves three objectives, each of them noteworthy in itself: *first*, the attraction of Filipinos of prominence in all walks of life to the independence campaign, involving the seeming subordination of the *politico* element which has heretofore been overprominent; *second*, the decentralization of the campaign, so that the provinces, where American influence is little felt, may take a controlling part heretofore reserved for Manila; and *third*, an attempt at gradual and peaceful usurpation of the executive power legally vested in the American Governor-General. In short the program is distinctly, though quietly, revolutionary.

At the center of the new independence drive is the Supreme National Council itself, composed of ten members of whom at least eight must be elected members of the Legislature. These eight, half from the Nacionalista and half from the Demócrata party, are virtually *ex officio* appointees, so that the general direction of

the campaign is vested in the hands of those who have been most prominent in the political development of Philippine autonomy. The eight men in question are the President of the Senate and the Speaker of the House (Quezon and Roxas); the majority leaders in both houses (Osmeña and Aquino); the minority leaders in both houses (Tirona and Recto); and another outstanding minority member from each of the two branches of the Legislature (Sumulong and Avelino). The two remaining members are designated respectively by the national committees of the two parties.

Directly under the Supreme Council is the National Solidarity Central Committee, composed of all the elected Senators and Representatives and all the elected provincial Governors. Thus the legislators from the non-Christian provinces, appointed by Governor-General Wood, are automatically excluded. This is not the only instance in which a sort of stigma is made to attach to those Filipinos who show wholehearted cooperation with Americans in the government of the islands. The Central Committee is a sort of general policies body, designed to give coherent direction to the progress of the independence campaign in the provinces. As the Nacionalistas have twice the representation of the minority party in both House and Senate, and also count a healthy majority among the elected Governors, this body is comfortably controlled by those who are most radical on the independence issue.

Under the Central Committee have been established, in all provinces except the few where Governors are appointed by the American Governor-General, organizations known as National Solidarity Provincial Committees. It is their function to work up independence sentiment, and to further economic measures looking to that end, throughout the length and breadth of the Philippine Islands. Here the effort to attract substantial

Filipinos not previously active in the independence campaign is stressed. Each Provincial Committee is composed of (1) the Governor and members of his Provincial Board, or *junta*; (2) the Municipal Presidents (mayors) of incorporated towns in the province; and (3) a quota of prominent citizens equal in number to (2), half of them selected by the provincial organization of each political party. Under each Provincial Committee in turn come the National Solidarity Municipal Committees, planned on a similar division of political and business leadership. Their initiation, in towns touched en route, was part of the program of the Supreme Council's trip which I accompanied as an interested observer. And behind the Municipal Committees are to be established, in theory at least, *Barrio* or township committees designed to give the smallest hamlets opportunity to participate in the campaign for political freedom.

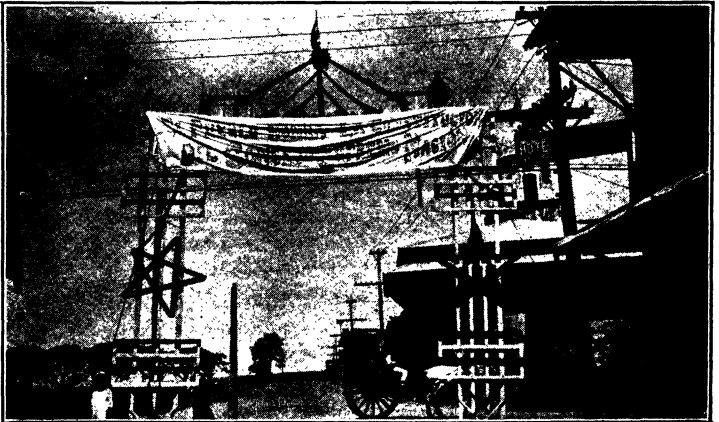
In addition to this comprehensive organization for stimulating public opinion on the independence issue the Supreme Council possesses a formidable executive arm in its National Advisory Committee. This board of twenty-five members, all of whom are business or professional men of a type not heretofore actively identified with politics, is now well organized in Manila. And it is beginning to engage in schemes of national development altogether without legal sanction under the powers of government granted to the Filipinos by the United States Congress. Here is another example of what Speaker Manuel Roxas calls the "peaceful revolution" now started in the Philippines.

The root issue in the Philippine problem is not independence. As has been stated, the intensification of native propaganda for that nominal objective is due primarily to the intensification of American propaganda aiming at a closer incorporation of the islands under our dominion. What the Filipino leaders are really



A PRAYER FOR INDEPENDENCE

The population of Talisay, as in hundreds of other Filipino towns and villages, turns out on Washington's birthday to ask fulfillment of America's pledges.



LOYALTY TO THEIR OWN

In Bacolod, on Negros Island, "the people honor the Constitution of the Supreme National Council," which seeks to force the issue on Philippine independence.



seeking and what, by fair means or foul one might almost say, they are determined to get, is control of the executive power so far as purely domestic policy is concerned.

As long as the American Governor-General can veto not merely complete legislative measures, but even specific items in the annual appropriation bills, and as long as he can treat the department heads as minor bureaucrats responsible to him rather than to the Legislature, the power which the latter body appears to possess is unreal. The entire trend of Filipino political thinking in recent years has been in the direction of supplanting the American executive with one amenable to the control of the Legislature. The effort, at the risk of repetition, is towards substitution of the British system of an executive deriving all his powers from the support of Parliament, and away from the American system of divided executive and legislative authority. We may point to Filipino shortcomings. We may argue that they are unfitted for self-government. But we cannot deny that the division-of-powers idea works none too well under the most favorable conditions in the United States; and can scarcely be expected to function smoothly where the executive is appointed by the dominant race and the legislature elected by the subjects. So far as efficiency in government goes an outright alien dictatorship would admittedly be preferable in theory.

The underlying function of the National Advisory Committee of the Supreme Council, it may now be said, is quietly to arrogate executive power into Filipino hands in a way which will be exceedingly difficult to counter without seeming to put the American Governor-General in an openly tyrannical position. How this is likely to come about can easily be appreciated by dwelling for a moment on the nature of this Advisory Committee.

None of its members, nor members of the subsidiary

commissions organized to carry out the executive powers which it is attempting to assume, can be members of either chamber of the Legislature. And while they are all men and women of standing, the primary purpose is not to give the Supreme Council the nominal support of an array of prominent personages. It is, rather, to work out the long-range plans of government which is the duty of the executive arm, and then to submit these plans to the Legislature after they have been approved by the Supreme Council. As party government ceased to exist in the Philippines with the formation of the Supreme Council—elections are no longer contested—and as the Legislature may be expected to indorse without opposition anything approved by the Council, the importance of this entirely extra-legal advisory committee is clear. It aims to take over, by quiet encroachment if possible, at least a part of the executive power of the American Governor-General.

The point is further clarified by examination of the fifteen commissions which the National Advisory Commission has already established in Manila. They fall naturally into two groups—those which are in reality embryonic ministries or government departments, and those of lesser importance which are in reality integrating rather than initiating commissions. Obviously in the first class are the following: Commissions on National Defense; Public Works and Communications; Finance; Agricultural Development; Public Instruction and National Language; Health and Public Welfare; Justice and Law Revision; Immigration and Industrial Relations. The remaining seven commissions, more or less supplementary to those just named, are: Independence Campaign; Development of National Resources; Government and Civil Service; Economic Strategy; Protection of Native Industries; Labor Organizations; Women's Organizations.

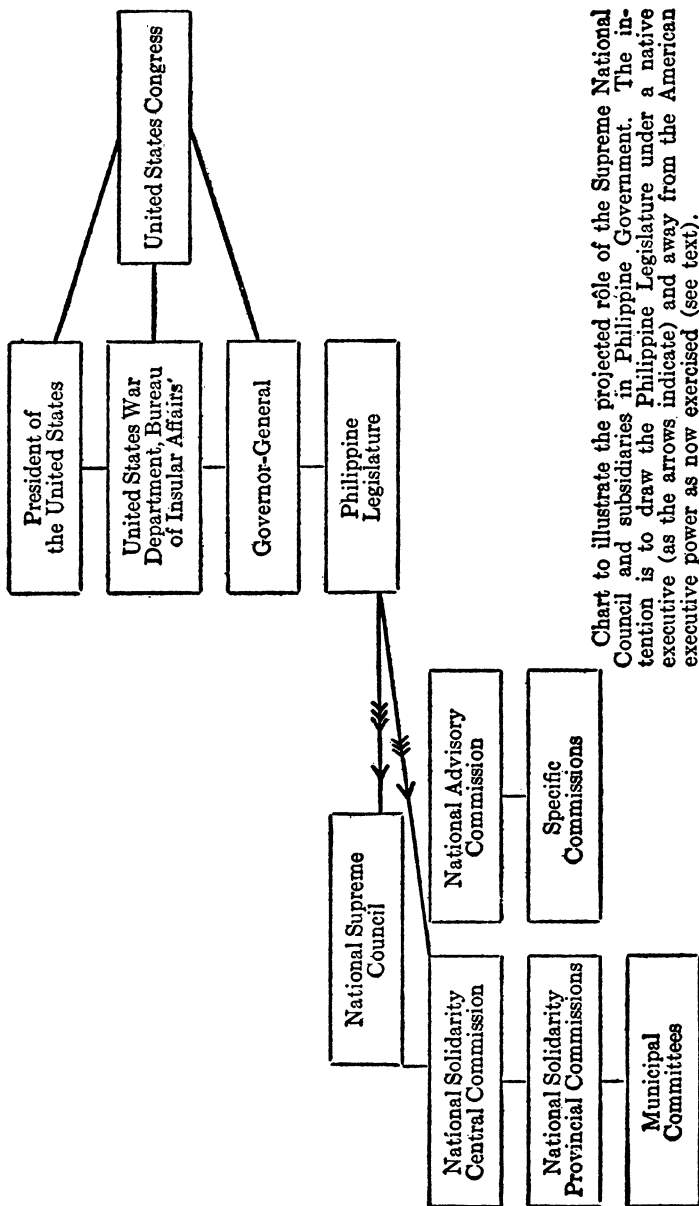


Chart to illustrate the projected rôle of the Supreme National Council and subsidiaries in Philippine Government. The intention is to draw the Philippine Legislature under a native executive (as the arrows indicate) and away from the American executive power as now exercised (see text).

It is not surprising that this very comprehensive and ambitious scheme has as yet received so little publicity. The Filipino leaders, perhaps contrary to national custom, prefer working towards its fruition rather than talking about it. And then again its complicated nature, though well worth understanding, does not lend itself to newspaper treatment. What is surprising is the rather offhand way in which the Supreme Council and its subsidiaries seem to be regarded at Malacañang, the seat of American authority in the Islands. This may be due to policy, or to the deep-rooted belief that the Filipinos as a people are clever in drawing grandiose schemes and incapable in carrying them out.

At the same time it is very difficult for an impartial observer to believe that this plan, which has been months in the building and which follows the logical trend of Filipino political philosophy under our rule, is doomed to collapse by reason of the incapacity of its sponsors. The men who are behind it, particularly those on the National Advisory Committee, are too substantial. The treasurer of the Supreme Council, to cite only a single individual, is Alejandro Roces, one of the wealthiest men in Manila, owner of three newspapers printed respectively in English, Spanish, and Tagalog, and, incidentally, a close personal friend of Governor-General Wood. But, as in our own Civil War, the issues involved in the struggle of the Filipinos for complete self-government cut deeper than personal relationships.

One more illustration—a plan drafted for financing the work of the Supreme National Council—should be cited to indicate the thought-provoking manner of this campaign. A comprehensive taxation scheme, losing none of its significance from the fact that payments would nominally be “voluntary contributions,” has been given serious consideration as the best means for meeting all expenses, including the dispatch of special mis-

sions to Japan and other foreign countries to study technical aspects of Philippine self-development.

The proposed taxation plan consists of five different assessments, at least one of which would touch virtually every Filipino, while many of them would be expected to contribute under two or three of these extra-legal imposts. There is planned: *first*, an annual per capita assessment of 50 centavos (25 cents) on every adult who is not a public charge; *second*, an assessment of 12 pesos (\$6) per annum on all professional workers; *third*, a property assessment of one-tenth of 1 per cent of the tax valuation of all privately owned real estate, payable annually; *fourth*, a sliding-scale assessment, varying from 1 to 5 per cent, on the annual salary of every public employee; *fifth*, a profits assessment on all Filipino corporations of one-half of 1 per cent of annual net income. It is hoped by such levies to do away with all the "drives" whereby the independence campaign has been financed hitherto. The mere fact that so comprehensive a scheme, lacking even any pretense of legal authority, can be drawn up for consideration is an excellent index of the welcome which the Filipino public is in general extending to the Supreme Council.

That welcome, in the course of my trip through the archipelago with leading members of the Council, there was ample opportunity to observe. In all the towns visited, whether on the big islands of Negros and Panay or on little Romblon, the receptions staged were a striking refutation of the assertion that outside of Manila there is no interest in the campaign for independence. It was not so much the size of the crowds that turned out everywhere, the decorated arches of welcome, or the patience with which audiences would stand three hours or more in the tropical sun listening to relays of speakers attack Governor-General Wood's "interference" with legislation of purely Filipino concern, and applaud refer-

ences to American pledges on withdrawal from the islands, that was impressive. It was, rather, the seeming enthusiasm shown by local leaders of prominence in turning their attention to the difficult and unspectacular work of furthering the Supreme Council's far-reaching plans.

The working out of this campaign will, as their leaders admit, show whether or not the Filipinos possess the staying qualities in which we have always claimed they are deficient. It may show, also, whether we have delayed too long in combining common sense and idealism to solve the Philippine problem in a way according with our interests, our traditions, and the spirit of our plighted word.

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